Digital Broadcast Corporation, Inc. (DBC), Finline Technologies (Finline), and Scopus Network Technologies (Scopus) have forged a worldwide digital broadband coalition that is destined to revolutionize the manner in which television programming, internet access, and telephony services are delivered to the average American. Using the most sophisticated and advanced state-of-the-art digital broadband communication network ever created, the newly formed digital alliance is preparing to dominate the telecommunications industry through the application of the most cost effective, technologically advanced digital platform ever envisioned. The digital coalition partners span the globe in terms of technological prowess, economic clout and have a proven track record of stellar product development. Just as cellular telephone technology has freed people from the need to rely on land lines, wireless technology has evolved to the point where a broad range of entertainment and communication services can be beamed directly to and from American homes and businesses.

DBC, through its intimate knowledge of regulatory and business environments, utilizes the patented and proven technologies of Finline and Scopus to redefine the manner in which entertainment and communications services are delivered worldwide. Furthermore, the synergistic effect of the coalition accesses the most sophisticated and advanced state-of-the-art digital broadband communication network ever created.

The coalition encompasses world renowned communication leaders, providers, broadcasters and operators. Some of Scopus' clients worldwide include CBS Newspath (USA), SES GLOBAL (Luxembourg), Deutche Telekom (Germany), Korean Telecom, BBC (UK), Multichoice (South Africa), France Telecom, Globecast (Europe) and Doordarshan (India) as well as other satellite broadcasters and telco operators. Scopus supplied the digital platform to the 2002 Worldcup games. Finline has customers in 14 countries on five continents.

DBC has developed a unique system for the wireless delivery of digital telecommunications systems that enhances existing services at cost savings up to 50% that of competitors. Break-even occurs at 4% - 6% market penetration.

The combined synergies have produced the most cost effective, efficient, reliable, robust and secure level of technological achievement. DBC/AirCable is able to offer hundreds of digital channels and wireless internet for up to 50% lower rates. The coalition’s global support carries a solid worldwide digital platform with instant access to technological excellence which is finally infusing its products and innovations into the United States Market. The multinational alliance mitigates business risk since worldwide resources can be brought to bear on development within the United States.

Worldwide, the Finline/Scopus components of the coalition have proven themselves by providing readily consistent customer satisfaction. With abundant high power ITFS bandwidth now readily available to DBC, combined with the patented super high ratio digital compression algorithms and wavelet technology, the full force of the digital coalition can now be applied and impact its mark and help educators substantially meet their academic needs.

DBC/AirCable provides subscribers and the educational community with a video and audio signal that is far superior to that of traditional hard wire analog cable. Like a traditional hard wire cable system, the DBC system receives programming at a 'head end', consisting of a signal reception equipment, decryption, retransmission, encoding, and related equipment. Unlike tradition hard wire cable systems, however, the programming is then retransmitted by microwave transmitters from an antenna located on a tower to a small receiving antenna located on a customer's rooftop. Signals can generally be received within a radius of 35 to 50 miles from the head end.

At the subscribers' homes, the signals are converted to frequencies that can pass through conventional coaxial cable into a descrambling converter connected to a television set. Since the system does not require an extensive cable plant, customers are provided with a reliable signal resulting in a high quality picture at a significantly lower system capital cost per installed customer than traditional hard wire cable systems.

Scopus/Finline technologies have developed compression technologies that allows between 20:1 and 50:1 compression ratios and is designed specifically for wireless television, digital wireless internet, and telephony. The Coalition of DBC, Finline, and Scopus have granted AirCable exclusive rights to this technology within the United States.

Digital Broadcast Corporation/AirCable offers a variety of digital video programming to its customers including basic, premium, and pay-per-view programming. DBC is packaging and pricing digital tiers to offer **"Superior Digital Programming"** at affordable prices. **"Greater Speed for Less Money"**, provided by the High-Speed Internet access division, rounds out the offering and provides today's consumers with exactly what they desire – higher quality television and faster Internet access, all for less money than they are accustomed to paying.

Educational Service Strategy

Extended Public Access

Conventional public access involves the dedication of one or two channels within a general viewing area that can be accessed by individuals, local civic groups, and local governments for purposes of broadcasting general and public information to the viewing public. The nature of this service is dependent on the level of local interest in news and programming, and the ability of the cable company to dedicate adequate support to make the service meaningful. Due to the nature of satellite services, public access is not feasible in most markets.

DBC and its affiliated wireless digital television broadband services can, however, provide meaningful local public access on a scale that will revolutionize the concept. By using the enormous capacity of digital wireless broadband, DBC is capable of providing local public access to schools, civic and religious groups, and local government on a basis unprecedented since televisions stations of the 1950's used local

programming to supplement the limited amount of network programming available for broadcast.

As mandated network programming requirements have reduced the time slots available, advertising revenue and profitability requirements have forced television stations to pursue syndicated programming in the remaining time slots thereby squeezing out public access as a viable option. In most cases, local news broadcasts are the only mechanism television stations have available for public access and public service. Concurrent with this evolution of events, the plethora of available programming has saturated the cable and satellite environment with dedicated special interest programming. The synergistic effect of these forces has resulted in a television viewing experience largely devoid of local programming.

DBC has the excess capacity within its technology to dedicate a meaningful block of channels to public access. These channels will be available to qualified institutions interested in using public access to expand the awareness of community activities. By interfacing the programming content through the internet, efficient transfer and broadcast of pertinent information can be performed. But the broadcast of Powerpoint™ style presentations is only the beginning.

For local high schools, DBC envisions the development of local programming as a means of educating and encouraging the youth within its viewing audience to use these channels to project their school's image and prestige. DBC will work with the local school districts to develop a system of procedures and standards that will allow the broadcast of school cultural, educational, and athletic events. Since virtually all secondary schools have high speed internet access, and in some cases T1 line capacity, audio and video uplink capacity already exists. When programming is not available, school schedules and notices can be presented on a repeating basis to facilitate dissemination of this information.

As the template for this service evolves, churches and other civic organizations can be provided similar access on a dedicated or shared basis.

For organizations and schools with production capabilities, the development of local oriented advertising is feasible. Much like companies buying advertisements in school yearbooks, businesses in the immediate area of a school can use public access to promote their goods and services with a financial benefit accruing to the school. Where feasible, video clubs within the schools can develop and produce spots for interested advertisers. This mechanism will return control of television access to the public while providing low cost advertising to business that are incapable of purchasing spots through conventional means.

Within the spectrum of channels available, DBC envisions using internet access in concert with public access as a cost effective means of bonding with the community. Law enforcement, emergency services, local government and other local agencies will find that inexpensive and, in some cases, free public access for purposes of providing the public with essential information.

Although mostly conceptual and still in development at this point, DBC believes that *Enhanced Public Access* will revolutionize the principle of public access. In addition to

returning the availability and excitement of television broadcasting to the communities, DBC will enjoy the prospect of being the only provider of cable programming that is capable of providing such services.

Commercial Strategy

DBC is targeting a 20% average market penetration by appealing to consumers that:

1. Are frustrated with exploding rates, hidden costs, and impersonal treatment.
2. See Digital Wireless Television and High-Speed Wireless Internet access as the best digital technologies and value available, and wish to be on the leading edge with Digital Broadcast Corporation.
3. Are not within traditional hard wire cable franchise areas.
4. Desire unique local programming as well as Virtual Video on Demand.

The Company's relationships with ITFS license holders and its proprietary and patented digital compression technology makes the Company a highly attractive strategic partner to ITFS, MDS and MMDS license holders in each of its Targeted Markets. The Company's license acquisition model has led to the accumulation of a strong channel position that permits the Company to offer digital wireless television and digital two-way wireless Internet services including VOIP for educational services and provisions for commercial use for subscribers. **Exclusive patented technology and license rights provide significant barriers to entry of others in terms of scope, time, availability, and cost. This is the most cost effective digital broadband delivery and distribution system ever conceived.**

- ***Acquire Wireless Channel License Rights in Additional Markets*** – While building out the Targeted Markets, the Company intends to expand into additional markets with attractive subscriber growth opportunities by acquiring additional MMDS and ITFS channel licenses. The failure of WorldCom and Sprints' wireless internet model has opened up a whole-new array of licensing opportunities for the Company.

- ***Bandwidth Acquisition Strategy*** – Major universities and colleges throughout the United States are choosing the Company over companies such as WorldCom and Sprint. The educational institutions are partnering with DBC by providing valuable bandwidth in exchange for our digital video and Internet services which enhance their respective campuses and communities, higher education and communication needs through distance learning and other advanced digital wireless services.

THE COMPANY BELIEVES IT HAS DEVELOPED THE MOST COST EFFECTIVE TELECOMMUNICATIONS DELIVERY MODEL EVER CREATED. THE MODEL IS APPROXIMATELY 5,000% MORE EFFICIENT THAN THE DIGITAL CABLE MODEL AND 400% MORE EFFICIENT THAN THE DIRECT BROADCAST SATELLITE ("DBS") MODEL.

The Company built the 1st high ratio, digitally compressed wireless television operating system in the world at Roanoke, VA. The Company utilizes the unique process of patented, super high-ratio compressed digital video technology to provide multi-channel digital cable/video/internet/telephony programming capacity over 6 MHz channels in the 2500 to 2700 MHz MMDS/ITFS[1] spectrum. This unique process affords the company the opportunity to reach 25 million households. One of the key components of the Company's model is that the Company did not have to invest hundreds of millions of dollars in each market area to install a very costly fiber optic infrastructure. To the contrary, the Company has become a magnet that is attracting spectrum in the 2500-2700 MHz spectral range, which the Company obtains on reasonable terms from the ITFS license holders (educational institutions). Substantial savings are then passed on to the subscriber. Thus, the Company's installation and infrastructure cost per subscriber is the lowest in the industry. This further translates into the most efficient return on investment (R.O.I.) model in the digital television delivery industry.

It has also secured its future with the rights to the 3rd generation platform that multiplies the Company's potential far beyond its founder's vision. It is estimated that 50 million cable subscribers are demanding digital video/cable programming. **The Company provides superior wireless digital video/cable and Wireless High Speed Internet programming to subscribers at up to a 50% savings over digital hardwire cable and satellite.**

- ***Selectively Expand to Additional Mid-sized Markets and Select Major Markets*** - By initially focusing on second-tier urban areas such as Roanoke, Virginia, Mobile, Alabama, Scranton/Wilkes-Barre, Pennsylvania, Oklahoma City, Oklahoma and Omaha, Nebraska, among others, the Company believes it will achieve a first-to-market advantage in providing digital quality programming at significant discounts to incumbent cable operator rates and satellite companies.

- ***Leverage the Proprietary and Patented Technology*** – The Company intends to leverage its rights to high-ratio digital compression technology for MMDS and ITFS wireless frequencies in its network build-out. This technology is the only 50:1 patented, MMDS/ITFS digital compression technology on the market to be FCC-approved.

Comments

Comments concerning core issues

1. Open Eligibility

We wholeheartedly disagree in earnest, along with the NIA, that allowing ITFS licensees to sell their spectrum would ultimately result in the destruction of the ITFS service. It could be used for the deepest pockets to stymie competition by buying the frequencies and not providing service. They are notorious for doing so. The FCC has determined that ITFS has been and still is being used very efficiently by the educational community in the 3G proceeding.

2. Reallocations of ITFS Spectrum

The reallocation of the ITFS spectrum would seriously impair the ability of ITFS licensees to provide the requisite educational services for which the ITFS licenses were granted in the first place. Again the commission in the previous 3G proceeding that a mandatory reallocation of the ITFS spectrum is not in the public interest, now, or in the future. Especially in the light of the very favorable advantages of the combined ITFS leased spectrum/DBC synergistic relationship.

3. Elimination of High-Power Operations in the Band

Traditional digital video and two way high speed internet is highly efficient for both educational and commercial purposes. A DBC/ITFS licensee symbiotic relationship is bolstered by optimizing the use of high power bandwidth.

4. The Transition Process

If the FCC imposed a transition on all licensees with a specific deadline, the result would be that the ITFS licensee/commercial operator lessee would have to shut down its traditional video operations. This is thoroughly unacceptable

These plans are not only disruptive, but would do severe damage to companies like DBC and, should the government decide to disrupt contractual relationships with companies that have been developed with FCC approval and fostering, it would destroy investment into any aspect of a going forward concern doing business with a licensee. Keep the spectrum for educators and the current educational requirements. It is ludicrous to take away services for educational community and the Arch Diocese.