

CHART 3**BUILDINGS ACTIVATED WITHOUT AUTHORIZATION THAT ARE NOW IN COMPLIANCE**

ADDRESS	CALL SIGN	PCN DATES	LICENSE APPLICATION FILED	FIRST AUTHORIZATION DATE	FIRST SERVICE DATE	TRANSMIT SITE
333 E. 57th Street	WNTM 212	11/19/93	1/12/94	6/10/94	12/27/93	Bristol
40 E. 78th Street	WNTM 212	11/19/93	1/12/94	6/10/94	1/24/94	Bristol
575 Madison Avenue	WNTM 212	11/19/93	1/12/94	6/10/94	2/4/94	Bristol
1001 Fifth Avenue	WNTM 385	11/19/93	1/12/94	6/10/94	1/4/94	Normandie
Delmonico Hotel	WNTM 212	11/19/93	1/12/94	6/10/94	1/26/94	Bristol
115 Central Park West	WNTM 210	12/14/93	1/12/94	6/10/94	3/31/94	Lincoln
80 East End Avenue	WNTM 385	12/14/93	1/12/94	6/10/94	2/7/94	Normandie
167 East 67th Street	WNTM 212	12/14/93	1/12/94	6/10/94	5/9/94	Bristol
936 Fifth Avenue	WNTM 212	12/14/93	1/12/94	6/10/94	3/14/94	Bristol
140 E. 72nd Street	WNTM 212	2/9/94	3/22/94	9/2/94	3/14/94	Bristol
Roosevelt Island - Manhattan Park	WNTM 212	2/9/94	3/22/94	9/2/94	6/14/94	Bristol
211 E. 51st Street	WNTM 212	4/21/94	7/15/94	12/20/94	5/3/94	Bristol
860 U. N. Plaza	WNTM 212	4/21/94	7/15/94	12/20/94	4/18/94	Bristol

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ADDRESS	CALL SIGN	PCN DATES	LICENSE APPLICATION FILED	FIRST AUTHORIZATION DATE	FIRST SERVICE DATE	TRANSMIT SITE
Liberty Court - 260 Rector Street	WNTM 782	4/21/94	7/15/94	12/28/94	8/2/94	99 Battery
Riva Pointe - 600 Harbor Boulevard	WNTL 307	6/28/94	8/24/94	11/7/94	8/10/94	Milford
142 E. 71st Street	WNTM 212	6/28/94	8/25/94	12/20/94	8/3/94	Bristol
71 E. 77th Street	WNTM 212	6/28/94	8/25/94	12/20/94	8/10/94	Bristol
Park Central Hotel - 870 Seventh Avenue	WNTM 210	6/28/94	8/24/94	11/15/94	7/1/94	Lincoln
Prudential - One New York Plaza	WNTW 782	7/29/94	9/13/94	12/28/94	10/1/94	99 Battery
1111 Park Avenue	WNTM 385	7/29/94	9/13/94	12/16/94	10/5/94	Normandie
245 E. 87th Street	WNTM 385	7/29/94	9/13/94	12/16/94	9/22/94	Normandie
201 E. 66th Street	WNTM 212	7/29/94	9/13/94	12/20/94	10/11/94	Bristol
3601 Johnson Avenue	WNTX 889	9/26/94	11/8/94	2/6/95	11/14/94	Century

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ADDRESS	CALL SIGN	PCN DATES	LICENSE APPLICATION FILED	FIRST AUTHORIZATION DATE	FIRST SERVICE DATE	TRANSMIT SITE
3755 Henry Hudson Parkway	WNTX 889	9/26/94	11/8/94	2/6/95	1/9/95	Century
3515 Henry Hudson Parkway	WNTX 889	9/26/94	11/8/94	2/6/95	11/14/94	Century

CHART 4

HARDWIRED BUILDINGS

ADDRESS	RECEIVE DISH LOCATION	EARLIEST CUSTOMER SERVICE DATE
Franklin Hotel - 164 E. 87th Street	170 East 87th Street - Gotham	10/21/93
225 E. 74th Street	207 East 74th Street	2/6/95
Lincoln Harbor Yacht Club	600 Harbor Blvd. Riva Pointe	4/13/95
60 Sutton Place	420 East 54th Street	11/23/92
525 E. 86th Street	535 East 86th Street	5/5/94
120 East End Avenue	510 East 86th Street	7/18/94
220 E. 52nd Street	211 East 51st Street	6/13/94
239 E. 79th Street	229 East 79th Street	3/28/94
425 E. 58th Street	400 East 59th Street	5/25/94
Carnegie Tower -Russian Tea Room 152 W. 57th Street	118 West 57th Street - Parker Meriden	1/31/94
44 W. 96th Street	12 West 96th Street	12/15/93
55 Central Park West	10 West 66th St.	9/21/94
170 West End Avenue	160 West End Ave.	5/26/94

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In December, 1991, Mr. Popkin advised that some of our paths were misidentified. We reviewed the paths he cited and found he was in error. At a later date, he plotted every path we had submitted for coordination and claims that they might all be in error. He made his claim based on the use of a streetmap for addresses and a lack of full information as to where the buildings were within a block.

We rechecked all of the locations in the applications and found two errors of a few hundred feet. The errors in coordination, by 3 seconds at most, are at 1387 York Avenue and 1148 Fifth Avenue. The corrected information was sent to Comsearch for recoordination, at STC's expense. The two affected paths are not on Liberty's high priority list.

Bristol

The original application was filed on August 16, 1991, for paths from Bristol to Windsor and to 25 Sutton Place South. Mr. Popkin noted that there was flawed information on the frequency coordination and the license application. He was advised that we would submit new coordination data and refile the combined applications. As noted above, the FCC has also noted these flaws and requests a response from Liberty by January 17, 1992.

For the same reason as noted above, a new address was established for Bristol at 205 East 64th Street, and an application submitted on November 29, 1991, including 21 paths. We have rechecked all paths on a computer-based U.S. Coast and Geodetic Service Map and found some 2 and 3 second errors, plus a typographical error on an address, affecting 9 of the 21 paths. These corrections have been forwarded to Comsearch for recoordination, at STC's expense. The 9 affected paths are not on Liberty's high priority list.

Lincoln Plaza

The application was filed on November 29, 1991 for 4 paths, including the connection to Milford Plaza. A review of the application finds that it is accurate as required by the FCC.

Milford Plaza

The application was filed September 10, 1991, for one path to Newport City. The application was found to be flawed, having incorrect coordinates. (Mr. Popkin did not call these to our attention.) On December 9 an application for modification was submitted amending the original and adding a "new receive site" at Newport City, with the correct latitude and longitude.

Windsor Court

The application was filed November 29, 1991 for 4 paths. Review of the application finds that it is accurate as required by FCC.

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Special Temporary Authority (STA)

On November 25, requests were submitted for STA's to operate from Normandie to Bristol and Stonehenge, from Bristol to Windsor and 25 Sutton Place South, as well as from Milford to Newport City. These requests have been granted.

On December 10, requests for STA were submitted for operation from 1692 Third Avenue (Normandie) to 13 sites, from 205 East 64th Street (Bristol) to 21 sites, from 1 Lincoln Plaza to 4 sites, from Windsor Court to 4 sites and from Milford Plaza to Newport City. All of these requests were rejected by the FCC.

Test Authority

This will reconfirm that we have on hand a Test License provided to Liberty by Hughes Microwave. This Test License authorizes Liberty to operate the 18 GHz equipment at any location, at any azimuth, from any type of antenna, for test purposes, on the condition that transmission would be discontinued if any interference is noted. The other condition of operating are that Liberty keep a log of the "tests" and not enter into "commercial service" with transmissions made under the test license.

Responses to FCC Questions

The original applications were flawed, as noted above. The STA's that were granted cover the original applications, and thus are also flawed. Under normal procedures, the FCC would cancel the STA's. We have until January 17 to provide a response in an attempt to preserve the STA's.

The following responses are proposed for consideration:

1. Advise the FCC that the filings were all made in good faith, but that Liberty was deluded by the supplier, AML - Specialties Corporation, who prepared the application information for their submission. Further advise the FCC that Liberty is seeking redress from AML (?) for money advanced and equipment and services not supplied.

After the STA's were requested, Liberty realized there were flaws in the original applications. Liberty had been operating on the applied for paths under a test license and no interferences was reported. Liberty felt that a similar non-interference operation under STA would cause no harm to any other equipment operation. Liberty's new applications are planned to correct for any path discrepancies and it is felt that the original flaws could be overcome by new grants, and that the earlier applications and resultant action could be amended or abandoned as required.

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(Making statements of this type would provide the FCC with an admission that Liberty knowingly accepted and operated under an STA with flawed information. While the FCC may be willing to admit that no interference was caused and no harm resulted to any entity, they may be required to levy a fine on Liberty for every violation of the rules.)

2. Liberty's response could be that they recognize the flaws in the applications and the STA. Explanation could be made that these flaws only came to Liberty management's attention after the STA request.

Liberty had hoped the applications would be granted in a short time and planned to immediately submit modifications. In addition, Liberty hoped that its new applications would be granted in a short time and overcome the flaws in the earlier submissions.

Liberty could then consider requesting the FCC to maintain the STA until the licenses are granted. If the STA's are rescinded, Liberty cannot operate commercially until a license is granted. This may mean that Liberty would have to operate under the test license, not charging for commercial services, until the end of January or early February. It is suggested that the FCC be asked to expedite Liberty's license applications to assist Liberty in developing this new competitive service.

3. There are other responses possible, and it is suggested that these be reviewed with Todd Pariott. It would appear that one key element is to maintain transmission of existing signals and to move as rapidly as possible toward full licensing. This may be best achieved under the new pending applications. They, in fact, cover all sites (even though Bristol is not specified from Normandie in the new application, Bristol is in fact co-linear with two other sites that are specified.)

The FCC may feel that they must fine Liberty. It would be important to find out if this becomes public information and might be utilized by Liberty's detractors. If this information would be public, it is suggested that we take all possible steps to avoid a fine.

I have discussed a strategy meeting with Todd Pariott suggesting that we may wish to sit across the table in Washington preparatory to visiting with FCC staff. He suggests that we might better counsel by telephone. I advised that we would be meeting this afternoon, and would be speaking with him shortly.



ALL-STATE LEGAL 800-222-0510 EDS11 RECYCLED

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TO: Bruce McKinnon
FROM: Peter O. Price
DATE: February 26, 1992
SUBJECT: FCC Licenses and Procedures

In order to accurately audit what licenses Liberty has requested and which have been provided, I have asked Joe Stern to analyze the procedure. Please don't get diverted by the piles of paper arriving from Washington because they require an inordinate amount of time in order to log and maintain. You should concentrate upon the planning, installation and operation of our system without being distracted by the administration. Once Joe has audited our list of applications against the licenses received and set up a maintenance procedure going forward, we can bring the function into Liberty as an Engineering Department responsibility. We are clearly not ready for that step, so in the meantime I will ask Stern Telecommunications to coordinate the function with Todd Parriott and advise us on a weekly basis in the form of a standardized report.

cc: J. Stern
T. Parriott
J. Curbelo

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To	Behrooz	From	JOE STERN
Co.		Co.	
Dept.		Phone #	
Fax #	956 1818	Fax #	

MEMORANDUM

To: Behrooz Nourain

cc: Peter O. Price
Bruce McKinnon
Tony Ontiveros

From: Joseph Stern

Date: June 16, 1992

SUBJECT: FCC LICENSING - TRANSFER OF INFORMATION

This will confirm the information transferred during our meeting in Room 1A at Normandie Court this afternoon.

1. I outlined the history of Liberty's licensing activity and the origin of the erroneous information contained in the initial filings. I explained why Liberty did not wish to make any substantial modifications which could possibly interrupt the licensing process. I also explained the rationale for choosing secondary addresses for the hub sites, so that new paths could be added without interrupting the processing for the earlier sites.
2. We discussed the concerns raised by Dave Popkin of New Jersey Bell and you said you were familiar with him and his activities.
3. I brought all of our files to Normandie so that copies could be made of items you did not have. It developed that you did not have the FCC licenses, so we checked the STC reconciliation memos against the documents you have and found that you do indeed have coordination and engineering data which match those in the STC files.

We recommend that the FCC licenses (which have been "lost" at Liberty at least three times) be consolidated by adding copies to your FCC related files.

We found you had information from Comsearch that STC did not have.

I confirmed that all of Liberty's licenses are under the FCC Private Microwave Rules and are for "paths" and not for transmitting and receiving sites, as is the practice under the FCC Commercial Communications Rules.

4. I explained our philosophy that the required modifications for most paths should be a "cleanup" operation, which would take into consideration new site identification (eliminating the "temporary" multiple addresses), new elevation, antenna size and power levels and include a 72-channel coordination.

As you are aware, recoordination is not required for minor changes, but is required for adding frequencies. Similarly, modification filings for minor changes can be done by letter. Details should be checked with your attorney with each case.

We recommend that the modification eliminate the two separate addresses at Normandie and Bristol, provide the new elevations where new antenna locations have been chosen, and add the additional channels to make a full complement of 72. These modifications can be made to an existing license without affecting processing on a new license application.

5. You said you will check your "list of buildings" against the information you now have and let us know whether there is any additional data we can provide from our files.
6. I explained the STC process of coordination and license applications, which varied in accordance with time availability and cost factors.

In all cases, STC supplied Comsearch with the engineering data (see attached form) from which they developed their frequency interference study and the resulting coordination information. Comsearch advised us of any potential conflicts and we authorized them to proceed or not, depending on the degree of conflict. Comsearch then distributed PCN's.

In the earlier stages, STC prepared all FCC application material, including engineering exhibits and sketches, and submitted them to Pepper & Corazzini.

At a later date, Comsearch was asked to prepare the engineering exhibits and forward them to Pepper & Corazzini. STC provided the missing information by phone and fax, so that the staff of Pepper & Corazzini could expeditiously complete the forms for Liberty's signature.

As we discussed, there are many ways to carry out the process. We recommend that you review the cost of engineering exhibit preparation with Comsearch, for it may be more cost-effective to include it with the coordination. We strongly recommend that you continue to use a Washington-based attorney for submittal and follow-up.

As agreed to by Liberty, responsibility for FCC applications and licensing under the rules and regulations are now transferred from STC to your office.

Good luck!

/md

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April 20, 1993

Peter:

*Pls. Review and
advise.*

Mr. Bruce McKinnon
Liberty Cable Co., Inc.
30 Rockefeller Plaza
Suite 3026
New York, NY 10020

*B.N.
4/28/93*

Re: Construction and Operation
of New Microwave Paths

Dear Bruce:

Behrooz Nourain and I have had several discussions recently regarding when it is permissible for Liberty to construct and operate new microwave paths and stations, and when it is not. Some things were revealed during these conversations that gave both Behrooz and I pause. In order to ensure that everything Liberty does is in strict accordance with the rules, and to ensure that your competitors are given no ammunition against you, I am writing this letter to detail the parameters within which construction and operation of new paths and new stations is permissible.

First, there is a difference between construction and operation. An 18 GHz system can be constructed or modified at any time. However, operation of the new system, or operation of the system as modified, cannot commence until the authorization is in hand. Thus, when Liberty decides to serve a new building from a transmitter that is already part of a licensed 18 GHz system, the equipment necessary to serve the new building can be erected prior to grant of the modification application that adds the new microwave path. However, the new microwave path cannot be activated, and cannot be used to serve the residents of the new building with video programming, until the modified authorization is granted.

The time it takes the FCC to process new station and modification applications varies. Right now, the Microwave Branch is processing new station applications in 60-90 days. Modification applications take more time to process, somewhere around 90-120 days. These time periods are computed from the date upon which the FCC receives the application. Because of the lengthy processing time for modifications, the FCC says it will

Mr. Bruce McKinnon
April 20, 1993
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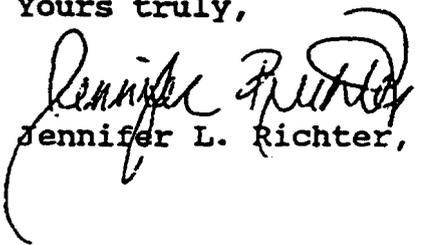
grant STA's (special temporary authority to operate) when a modification application has been pending for more than 90 days.

The 60-90-120 days it takes for the FCC to process an application does not take into consideration the month it takes Behrooz, Comsearch and myself to prepare the application. Thus, Liberty's business plans should allow for the following: For new stations, allow for at least 90 days from your initial decision to construct a new transmitter before operations can begin; For modifications, allow for at least 120 days from your decision to add a new microwave path before operations can begin. Of course, construction of either type of station can begin as soon as the decision is made, but operation is only permissible when the FCC has granted you authorization to do so.

If Liberty is desperate to begin operation of a station, either new or modified, and grant of the underlying application is pending, let me know and we can apply for an STA. If you have constructed a new station or new path and want to test the equipment, you can request the use of Hughes' Experimental License. I believe Liberty has used the Experimental License in the past. As you may know, some private cable operators were using Hughes' Experimental License to serve subscribers while their station applications were pending. Hughes feels this behavior is in contravention of its authority under the license, and for this reason, Hughes is reluctant to permit operators the use of the Experimental License except in rare circumstances. If you would like to obtain the use of Hughes' Experimental License for specific paths, we should discuss it further.

If you have any questions or concerns relating to the foregoing, don't hesitate to contact me.

Yours truly,


Jennifer L. Richter, Esq.

cc: Mr. Behrooz Nourain