CHANNEL COORDINATION AND
EXCESS CHANNEL CAPACITY LEASE AGREEMENT

BETWEEN

TRANS VIDEO COMMUNICATIONS, INC.

AND

CAI WIRELESS SYSTEMS, INC.

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CHANNEL COORDINATION AND CHANNEL LEASE AGREEMENT

On this 19th day of December, 1994, Trans Video Communications, Inc. ("TVC"), a not-for-profit corporation affiliated with The Roman Catholic Diocese of Brooklyn,New York (the "Diocese") and CAI WIRELESS SYSTEMS, INC. (hereinafter referred to as CAI) duly organized under the laws of the State of Connecticut, enter into this Channel Coordination and Channel Lease Agreement ("Agreement")

RECITALS

WHEREAS, TVC is the licensee of Instructional Television Fixed Service ("IFTS") Stations, KNZ-69 at Bishop Ford High School, Brooklyn, New York, KNZ70 at the Mary Louis Academy, Jamaica Estates, Queens, New York KZE-20 at Lefrak Plaza, Queens, New York KVS-31 at St. Cecelia's Roman Catholic Church, Greenpoint, New York, and WHR-691 at Confucius Plaza, Chinatown, New York. TVC operates its present ITFS system using B and F Group Channels, assigned to various parts of the New York City, Metropolitan area (hereinafter referred to as the Metropolitan Area). KNZ-69, KZE-20 and WHR-691 operate on the ITFS B Group Channels. KNZ-70 and KVS-31 operate on the ITFS F Group Channels. TVC'S current system has excess capacity that it wishes to lease. Furthermore, by modernizing its facilities, TVC can increase its stations' capacity.

WHEREAS, the Federal Communications Commission ("FCC") has authorized licensees of Instructional Television Fixed Service ("ITFS") channels to lease excess capacity for non-ITFS uses, and

WHEREAS, CAI is in the business of providing channels for the distribution of television programming via microwave transmission and is desirous of leasing excess ITFS capacity in accordance with the rules, regulations and policies of the FCC, and TVC'S educational programming and CAI'S entertainment programming will be mutually advantageous and provide a significant benefit to the general public and to the educational institutions served by TVC.

WHEREAS, TVC has determined that there is excess capacity available on its ITFS Channels and that this excess capacity is available for entertainment or other commercial programming. TVC has further determined that, by permitting CAI to transmit entertainment programming on TVC'S ITFS channels, a significant increase may be achieved in the number of persons who will have access to TVC'S educational programming at little or no additional cost.

THEREFORE, in consideration of the mutual promises, conditions and obligations contained in this Agreement and for other good and valuable consideration, the parties agree as follows:

ARTICLE I
TERM

1.1 Subject to the provisions for termination set forth in Section 17 herein, the term of this Agreement shall commence upon the date of its execution and shall continue for a period of ten (10) years from the START DATE as defined in Section 10.2 subject to the FCC'S grant of TVC'S application for renewal of each station's license. The foregoing period is referred to herein as the "Initial Term".

1.2 Twelve (12) months before the expiration of the Initial Term, CAI and TVC shall meet to negotiate on an exclusive basis the terms of one or more additional Terms not to exceed ten (10) years ("Additional Renewal(s)"). If after the first three (3) months of the above-described twelve month period the parties have been unable to execute an agreement for one or more Additional Renewals, TVC shall be entitled to negotiate on a non-exclusive basis with other parties for a lease of its excess capacity on its ITFS Channels.

ARTICLE 2
RIGHT OF FIRST REFUSAL

2.1 If parties hereto are unable to reach an agreement to renew this lease after the Initial Term, CAI shall have a right of first refusal to match any offer which contemplates the lease of excess capacity on TVC'S channels for a period ending twelve (12) months from the end of the initial term, provided that CAI has complied with all of its obligations under this Agreement during the Initial Term and further provided that such other lease offer is acceptable to TVC.

2.2 If TVC receives a bona fide offer to lease or otherwise use the Leased Channels from a third party, and if TVC proposes to accept said offer, TVC shall give CAI written notice thereof together with a copy of the proposed lease for purposes of providing CAI with a fifteen (15) Business Days Right of First Refusal. Notwithstanding TVC'S obligation to forward a copy of such proposed lease, non-substantive changes in the proposed lease may be made after giving CAI notice as set forth herein, without requiring a new period for the right of first refusal to be extended to CAI.

2.3 If CAI delivers to TVC written notice within fifteen (15) business days of receipt of the proposed lease that CAI elects to renew this Agreement upon the same terms and rental set forth in the proposed lease, such agreement to renew shall immediately become binding upon CAI and TVC. The parties shall thereafter sign and exchange copies of a renewal of this Agreement, with the renewal commencing upon the expiration of the term of this Agreement then in effect. If CAI declines to match the third party offer or fails to notify TVC within the above stated fifteen (15) business day period that it is exercising its right of first refusal then TVC may accept the offer to lease channels from the third party. If said fifteen (15) business day period expires on either a Saturday or Sunday, then it shall be deemed extended to next business day of TVC. If TVC fails to enter into a binding

Agreement with the third party on essentially the same terms and conditions as were offered to CAI within ninety (90) days after CAI'S right of first refusal exercise period expires, CAI'S right of first refusal shall be reinstated. If TVC enters into a bona fide contract with a third party, CAI'S right of first refusal shall be terminated.

2.4 TVC may not propose to accept an offer that is not bona fide.

2.5 For the purposes of this Agreement, "third party" refers to any party other than CAI, TVC, the Diocese or any affiliated person or entity.

2.6 In the event a third party offer did not include like terms and CAI exercises its right of first refusal the aforementioned right of First Refusal terms of this agreement shall be deemed and included in any offer of a third party.

2.7 For the purposes of this Section, TVC shall have no obligation to negotiate with or accept an offer from any party if TVC decides in its sole discretion to discontinue the leasing of excess capacity on its ITFS facilities. If TVC decides at the end of any initial or renewal terms to discontinue the leasing of its ITFS channels, TVC shall not use the channels itself for commercial purposes, except for educational and pastoral programming, or lease channel capacity to a third party for use of the third party for commercial purposes for a term of two (2) years after the expiration of this Agreement.

ARTICLE 3
LEASED CHANNELS

3.1 Upon execution of this Agreement, CAI shall have the right to use TVC'S excess channel time, as set forth in paragraph 3.2 on TVC'S ITFS Channels. Specifically exempt from excess channel capacity are analog channels B-1 and F-1 or their digital equivalent (Prayer Channel) if the channels are converted to digital and sufficient time on the other channels to serve hospital/nursing homes (Hospital Services), to wit: approximately fifteen (15) hours per month. Also included in the exemption are the ITFS response channels. Each of the leased channels include the main video channel and all sub-carriers and vertical blanking intervals (VBI).

3.2 CAI shall be entitled to transmit programming over the Leased Excess Channel Time: (i) on a full time basis (24 hours a day) on Saturdays and Sundays during school time from September through June and everyday during July and August; and (ii) on a part time basis (4:00 p.m.-8:00 a.m.) on all other days with the exception of specific holy days, special occasions when TVC notifies CAI at least thirty (30) days in advance, or other times mutually agreed upon by the parties; provided, however, that with the consent of both parties channel loading and or channel mapping may be employed.

3.3 TVC retains the exclusive right to: (A) all time on the Leased Channels other than air time leased in paragraph 3.2, and (B) such additional (recaptured) time as may be required to comply with the rules, regulations and policies of the FCC as they may exist and be amended from time to time. It is specifically understood that times other than as set forth in Paragraph 3.2 are deemed not to be excess air time. If the FCC or TVC requires the recapture of time from that which is leased to CAI, as specified in Section 3.2, there shall be a pro rata reduction in the Annual Minimum payments.

3.4 CAI will receive all TVC programming directly from TVC'S studios. TVC will staff, operate and control its studio and may change its programming at any time at its option. During TVC Capacity, CAI will transmit whatever programming is sent to it by TVC and will not edit or alter that programming. TVC will retain control over the airing of its programming and the flexibility to change the content of that programming as it deems appropriate. CAI may not use any time specified herein as TVC Capacity without the express consent of TVC.

ARTICLE 4
SIGNAL COMPRESSION

4.1 If and when digital compression technology becomes technically and economically feasible as measured, among other ways, by the extent to which other wireless cable operators are installing such technology, and to the extent permitted by the FCC and with the prior written consent of TVC, (such consent not to be unreasonably withheld) and so long as it does not result in the disruption of or interference with TVC'S programming except to the extent approved by TVC. TVC and CAI hereby agree to employ digital compression technology in the dissemination of TVC'S and CAI'S programming over the ITFS Channels; provided, however, that if CAI employs digital compression technology, CAI shall not be required to convert all of TVC'S Channels to digital channels simultaneously, but if CAI converts any of TVC'S channels used for educational programming it will provide no less than four (4) digital channels for TVC'S educational programming. Each of TVC'S receive sites will be equipped and maintained by CAI, at its sole expense, so as to permit TVC, upon expiration or termination of this Agreement, to continue to provide service to its receive sites on the ITFS Channels by means of the digital compression technology then being used.

4.2 CAI will pay all costs of equipping and modifying TVC'S then-operational ITFS receive sites to enable such sites to receive the digital compressed channels. CAI'S obligations under this provision extend only to Diocesan receive sites.

4.3. The transmitter(s) for the digital compressed channels shall be purchased (subject to TVC'S approval of the equipment model which approval shall not be unreasonably withheld) and maintained by CAI, subject to the supervision of TVC, and leased to TVC for one ($1.00) dollar per year during the term of this Agreement or any subsequent renewal periods. Upon the termination of this Agreement between CAI and TVC, TVC shall have the right to purchase said transmitter(s) as set forth in Paragraph 7.2. Said transmitter(s) shall be deemed "Leased Equipment".

4.4 TVC shall have the option to purchase such Leased Equipment as set forth in Paragraph 7.2.

4.5 The term digital compression refers to the technology for distributing more than one (1) video and audio signal without material degradation over the 6 MHZ of bandwidth normally required for one video and audio signal, or any other similar technology.

4.6 Upon termination of this Agreement, or any renewal terms thereafter, any channels created as a result of digital compression shall remain the property of TVC subject to the rules and regulations of the FCC.

4.7 In the event CAI, with the cooperation of TVC, replaces analog equipment with digital compression equipment TVC shall have the exclusive use of the Channels as set forth in 10.3. CAI shall have the exclusive use of seventy-five (75%) percent of all additional channels created by digital compression on a full time, every day basis. Original Channels shall not be deemed additional Channels.

ARTICLE 5
TRANSMISSION AND RECEIVE FACILITIES

5.1 In the event that TVC and CAI, in consultation with each other, mutually decide that it would be beneficial to modify TVC'S transmission facilities from those currently authorized by the FCC, all legal, technical, equipment, personnel and other expenses associated with licensing and implementation of the modification of TVC'S facilities shall be borne by CAI from the date of the execution of this Agreement until the expiration of the term of this Agreement or its rightful termination by CAI. The modification of TVC'S facilities shall be subject to the supervision to TVC.

5.2 Regardless of whether or not TVC'S transmission facilities are modified, CAI also agrees to purchase and install and maintain at its expense, in consultation with TVC, equipment to enable TVC to transmit its programming to up to an additional thirty (30) receive locations identified by TVC in writing for the receipt of TVC'S ITFS programming. CAI at its expense, where necessary to permit reception of the ITFS Channels, will reorient and retrofit the ITFS equipment at TVC'S then-existing receive sites. TVC shall have the right to approve in consultation with CAI, the receive equipment models to be installed with the TVC stations, which approval shall not be unreasonably withheld.

5.3 In addition, CAI agrees that any and all receivers it installs for subscribers to its system shall be capable of receiving TVC'S programming at no cost to TVC.

5.4 TVC, with the technical assistance of CAI, and at CAI'S expense, shall file appropriate applications with the FCC to secure whatever modification to its construction permits and subsequent licenses both parties shall deem appropriate after good faith consultation with each other; provided, however, that CAI must provide TVC with the engineering section of any such application for TVC'S review at least thirty (30) days in advance of filing and pay any FCC filing fees and after school hours.

5.5 Both parties recognize that the overwhelming majority of TVC'S receive sites consist of schools. Both parties will cooperate in the reorientation to cause the least disruption of service. CAI commits to reorient the Diocesan receive sites during the regularly scheduled vacations (Christmas, Energy Week, Easter Week and Summer) and weekends and after school hours.

5.6 CAI, or its designee, shall purchase and install and maintain at its own expense (subject to TVC'S supervision and periodic inspection) any equipment, including but not limited to transmitters, transmission line, antennas, receivers and studio-to-transmitter links as are required to operate or upgrade the ITFS facilities in accordance with the provisions of TVC'S existing or modified FCC authorizations. TVC shall have the right to approve, in consultation with CAI, the equipment models to be installed with the TVC stations, which approval shall not be unreasonably withheld. Any equipment so purchased and installed by CAI shall be deemed Leased Equipment for purposes of Article 7 herein. CAI, or its designee, shall retain title to the Leased Equipment, which may be pledged as security for a loan by CAI, during the term of this Agreement, and removed by CAI, or its designee, upon the termination of this Agreement, subject to TVC'S right to purchase the Leased Equipment as set forth in Paragraph 7.2 of this Agreement. Leased Equipment must be of a type which is easily removable and not affixed so as to become a fixture to real property.

5.7 Operation of ITFS Facilities: CAI shall, on a date no later than thirty (30) days after the first grant date of any modified FCC authorizations applied for under this Agreement, supply at its sole cost and expense personnel to construct, operate and maintain the Leased Equipment. Said personnel shall insure that all operation of the Leased Equipment at all times complies with all applicable FCC rules subject to the supervision and directions of TVC. Such operations and maintenance activities shall be undertaken at such times as are consistent with the operating requirements of CAI'S business and TVC'S activities. CAI shall provide TVC with a designated point of contact and shall ensure that TVC is fully aware of CAI'S maintenance and operation activities. TVC and CAI each shall have access to the facilities at all times for the above purposes. CAI, at its own expense, may make alteration or install attachments to the Leased Equipment (including encoding and/or addressing equipment as may be reasonably required by the exigencies of its business from time to time, provided that such alterations and attachments do not violate any FCC rules and provided further that TVC'S prior consent (which shall not be unreasonably withheld) and any required FCC authorization have been obtained. CAI will install, operate and maintain the Leased Equipment in such a manner as to assure that the operation of the Leased Equipment does not create or increase interference with TVC'S program services nor reduce the coverage area of the ITFS Channels.

5.8 Scrambling of Signals: CAI may employ the use of scrambling equipment for its programming. Any scrambling equipment used by CAI (e.g., decoders) shall be programmed to allow CAI'S subscribers to receive all of TVC'S programming, if TVC so desires, and such equipment shall be addressable to allow TVC to deny parts of its programming to selected subscribers. The scrambling equipment described in this paragraph shall be made available to TVC'S subscribers at CAI'S cost.

In the event that CAI or TVC determines that it is desirable to also have TVC'S programming scrambled, CAI shall supply, install and maintain decoders, etc., without cost to TVC, at the then current receive sites of TVC to enable such sets to receive TVC'S programming. In the event of digital compression, it is understood that decoders are to be placed in each classroom of the Schools serviced by TVC. Seventy (70) schools, designated by TVC, shall be installed in the first year and one-half (1/2) of the remaining schools in each of the next two (2) years (second and third years).

5.9 It is understood that CAI hereby commits itself to designing and operating a viable technical plan for Brooklyn and Queens that it will put into effect even if CAI does not win the Microband auction. The plan must be acceptable to TVC; provided, however, TVC shall not reject the plan solely on the basis that only TVC Channels are included in the plan. If CAI does not provide such a plan, TVC has a right on thirty (30) days notice to terminate this Agreement.

ARTICLE 6
NEW TRANSMISSION POINT

6.1 CAI shall have the right to require TVC to relocate its channels to a mutually agreed upon high roof top location in Manhattan (New Transmission Point or "NTP"). TVC will have the right to approve any such new location which approval shall not be unreasonably withheld. It is understood that the purpose of a NTP is to improve service for instructional and commercial purposes. In this regard CAI and TVC shall consult with each other pertaining to the relocation of the channels. CAI shall bear all expenses for filing the necessary applications at the FCC for such relocation. Both parties agree that any such move will take place at a time that will not cause a disruption on the TVC'S ITFS facilities providing service to the schools and its other receiver sets. If the TVC ITFS facilities are moved to a new location, CAI will pay the costs of any relocation, including the cost of required equipment and reorientation to TVC'S receive sties.

6.2. The new transmission facilities will consist of the transmitters, antennas and associate equipment necessary to transmit the full complement of B and F channels subject to FCC approval.

6.3. CAI will be responsible for purchasing, and maintaining (subject to the supervision and periodic inspection by TVC) TVC'S channel Transmitter and Associate Equipment (the "TVC ITFS facilities"), except as specifically provided elsewhere in this Agreement. Equipment purchased for TVC facilities must be approved by TVC which consent shall not be unreasonably withheld. Said equipment shall be leased to TVC for One ($1.00) Dollar per year and subject to purchase as Leased Equipment pursuant to Paragraph 7.2.

6.4 CAI will pay all costs incurred by TVC (including reasonable legal, engineering and installation costs) in moving TVC'S facilities to the NTP.

6.5 CAI will be solely responsible for the acquisition and installation of equipment needed for TVC to establish a studio-transmitter link ("STL") or optic fiber link between TVC'S transmit facilities (currently Bishop Ford High School) and the NTP subject to the approval of TVC which approval shall not be unreasonably withheld. TVC will hold title to the STL Equipment and will be the licensee of the facility.

6.6 CAI will pay for the costs of all necessary relocation, reorientation or re-engineering of TVC'S then current receive sites required by the move to the NTP. All of this work shall be subject to FCC approval, if necessary. This responsibility includes but is not limited to the reorienting of receiving antennas, changing of down converters, and changing of towers. CAI shall obtain a twenty-one (21) dbmv signal level at the output of the power supply of the downconverter at TVC'S receive sites.

6.7 TVC and CAI pledge their best efforts in effecting said move to a NTP. Each agrees to share engineering analyses of equipment and marketing effects of different equipment before deciding what equipment to purchase. TVC shall have ultimate responsibility to decide the course of action in all matters relating to any FCC applications for relocation to the NTP. In order to monitor the quality and reliability of transmission service, both TVC and CAI shall share data from their field testing at home receiving sites and other relevant engineering information.

6.8 CAI shall have the sole responsibility to provide engineering to insure that neither the ITFS nor the MMDS facilities at the NTP, as constructed, generate adjacent or co-channel interference to neighboring facilities that is unacceptable under FCC rules. Neighboring facilities include but are not limited to the following: Trenton, N.J. (F-3); The Roman Catholic Archdiocese of New York (A1-4, E1-4); The Roman Catholic Diocese of Rockville Center, on Long Island, N.Y. (A1-4, B1-4m E1-4); Plainview School District, Long Island N.Y. (B1-4); Mercer County, New Jersey (B1-4).

6.9 Prior to preparation of any application to be filed at the FCC with respect to the TVC Stations, CAI shall provide to TVC a complete description of any engineering plan for the relocation of the stations to the NTP. This description shall include all information regarding the engineering plan for these stations which must be provide to the FCC in the applications, or such information as is otherwise agreed upon by the parties, as well as any information which is subject to approval by TVC pursuant to this Agreement. TVC shall inform CAI of any concerns and/or objections to such description within fourteen (14) calendar days of receipt of such. The parties shall continue to consult in good faith to develop the engineering plans for the TVC Stations during the process of preparing the application or the TVC Stations to be filed at the FCC.

6.11 After relocating to the NTP, neither CAI nor TVC shall relocate the transmission point for its Channels without the express written consent of each other which consent shall not be unreasonable withheld.

ARTICLE 7
LEASED EQUIPMENT

7.1 TVC shall lease from CAI all equipment purchased and installed by CAI pursuant to the terms of this Agreement. The terms of the Lease Agreement shall also contain the following general provisions:

(a) RENT: TVC shall pay to CAI the total amount of One Dollar ($1.00) per year for its use of the Leased Equipment. It being understood that TVC'S provision of the air time at the rates provided in this Agreement is full consideration for CAI'S Lease of Equipment to TVC;

(b) TAXES: CAI shall be required to pay all taxes and other charges assessed again the Leased Equipment, without cost to or reimbursement by TVC, and CAI shall be entitled to claim depreciation and investment tax credits thereunder for income tax purposes.

(c) CAI shall be required to bear all costs associated with maintaining and operating the Leased Equipment, and shall keep such equipment in good operating condition at all times during the Initial Term and any Additional Renewal(s).

(d) TERM: The term of the Lease shall commence upon the dates of installation of the transmission equipment and shall end upon the termination or non-renewal of this Agreement.

7.2 If this Agreement is terminated by reason of CAI'S material breach or default, TVC shall have the right to purchase the Leased Equipment for One Dollar ($1.00) free of any pledge or other encumbrance of the Leased Equipument by CAI.

7.3 If TVC decides not to lease its channels at the conclusion of the term of this lease or any renewals thereof, TVC shall have the right to purchase the Leased Equipment for one-half(1/2) of its then current fair market value.

7.4 If TVC leases its channels to a third party at the conclusion of this lease term or any renewals thereof, it shall have the right to purchase the Leased Equipment at the then current fair market value.

7.5 In any event, said Leased Equipment shall be purchased free of any pledge or other encumbrance of the Leased Equipment by CAI. Any documents CAI executes pledging the Leased Equipment as security for a loan shall reflect the right of TVC to purchase the Leased Equipment free of any pledge or other encumbrance. All transactions necessary to transfer title in the Leased Equipment to TVC shall be completed within thirty (30) days of CAI'S receipt of written notice from TVC that TVC intends to purchase the Leased Equipment.

7.6 TVC shall have the right to file all necessary UCC (Uniform Commercial Codes) filings to protect its right of priority and right to purchase the aforementioned equipment to enable TVC to provide four (4) channels of programming. CAI shall cooperate in the preparation and execution of any documents necessary to achieve such UCC filings.

ARTICLE 8
REGULATORY COOPERATION

8.1 Both parties shall cooperate with one another and shall undertake all reasonable efforts necessary to secure the authorizations necessary to provide the services contemplated under this Agreement.

8.2 Each party shall be responsible for paying its own costs in securing said authorizations, except as set forth elsewhere in this Agreement.

ARTICLE 9
PERSONNEL

9.1 All personnel engaged by TVC or CAI to operate and maintain transmission facilities shall possess the appropriate technical qualifications required by the rules and regulations of the FCC. All operation of the transmission facilities shall be in accordance with applicable FCC rules and regulations and subject to the supervision of TVC.

9.2 TVC and CAI shall permit persons authorized by the other to have access to each of their facilities as may be required for the performance of this Agreement. All such persons when in such facilities shall be under the ultimate direction and control of the party who is licensed by the FCC to operate the facility. Arrangements concerning access shall be made by mutual agreement of the general managers of TVC and CAI.

9.3 CAI and TVC recognize that each party is obligated to operate its facilities respectively, at all times in compliance with the rules, regulations and policies of the FCC and the requirements of the Federal Communications Act of 1934 as amended from time to time. To this end, CAI and TVC commit their best efforts to cooperate with each other so that each may ensure that their facilities meet their responsibility. Both agree not to take any actions that will interfere with the other's ability to comply with the rules, regulations and policies of the FCC and the Federal Communications Act of 1934 as amended from time to time. It being understood that this Agreement pertains only to the Leasing of TVC'S facilities.

ARTICLE 10
COMPENSATION FOR LEASE OF EXCESS CAPACITY

10.1 Upon execution of this Agreement, CAI agrees to pay TVC a non-refundable, signing royalty

10.2 On the tenth (10th) day following the end of each month commencing with the operation of CAI'S wireless cable system, or within twelve (12) months from the date of execution of this Agreement, whichever is earlier (hereinafter the "Start Date"), CAI shall pay TVC non-refundable monthly payments in consideration for TVC'S Lease of excess capacity on its ITFS Channels to CAI. CAI shall pay TVC per channel per wireless cable subscribed to CAI'S system in the Metropolitan Area per month; commencing on the twenty-fourth (24th) month after the Start Date and continuing through the forty-seventh (47th) month after the Start Date, CAI shall pay TVC per channel per wireless cable subscriber to CAI'S system per month; thereafter, and for the remainder of the Initial Term, CAI shall pay TVC per channel per wireless cable subscriber per month after each twenty-fourth (24th) month interval; provided, however, that CAI shall pay TVC a guaranteed minimum monthly payment of

Starting at the Sixty-First (61st) month from the Start Date, CAI'S payments shall be adjusted annually based on any increase in the Items, NYC Index of the Consumer Price Index ("CPI") from what the CPI was as of the Start Date. In the event any such payment is not made within said tenth (10th) day of each month, there shall be a three (3%) percent late penalty charged to CAI.

10.3 In the event that CAI implements digital compression technology, TVC shall have twenty-five (25%) percent of the total resulting channel capacity. TVC may utilize up to two (2) full time channels with the remainder divided into part time (8am-4pm) use. The per-subscriber royalty described in Paragraph 10.2 shall be adjusted as follows: if CAI compresses any IFTS Channel at a ratio of less than four (4) to one (1), for each digitally compressed channel CAI shall pay TVC a per subscriber, per month royalty equal to   of the per-subscriber per month royalty then in effect under Paragraph 10.2. If CAI compresses any ITFS Channel at a ratio of four (4) or more to one, for each of the three (3) of every four (4) digitally compressed channels available to CAI for CAI'S exclusive use, CAI shall pay TVC a royalty equal to   of the per-subscriber, per month royalty then in effect. Any royalties paid pursuant to this Paragraph 10.3 shall be subject to the CPI adjustment and monthly minimums set forth in Paragraph 10.2.

10.4 For purposes of computing the compensation due TVC pursuant to Paragraph 10.2 above, the average number of wireless cable subscribers for any month shall equal the number of wireless cable subscribers as of the last day of the prior month plus the number of wireless cable subscribers as of the last day of the current month divided by two, provided, however, that for purposes of first payment due under this contract, the number of wireless cable subscribers on the last day of the first month of the Initial Term shall from the basis for the computation. In those situations where programming is sold in bulk, i.e., where a number of viewing units are grouped for billing purposes, such as may be the case with hotels and condominiums, the number of equivalent wireless cable subscribers shall be determined by dividing the total monthly revenue derived from each such bulk billing unit by CAI'S then prevailing monthly rate applicable to an individual wireless cable subscriber in the Metropolitan Area who subscribes to the same channel package taken by the bulk billing unit.

10.5 CAI shall, along with each monthly payment, provide TVC with a certificate signed by an executive officer of CAI showing the average number of wireless cable subscribers served during said month, calculated as provided in Paragraph 10.4, together with other information reasonably requested by TVC. CAI shall not be liable for damages for any good faith mistake of fact with respect to such certificates, but such mistakes shall be corrected promptly and any compensation due TVC shall be adjusted accordingly.

10.6 In the event that the Initial Term commences on a day other than the first day of a calendar month, or this Agreement is terminated (for a reason not affecting TVC'S right to payment) on a day other than the last day of a calendar month, the subscriber fee or monthly minimum payment for that month shall be proportionately reduced.

10.7 At the option of TVC, and in lieu of the rental fee calculated on a per subscriber basis, TVC shall be paid

of the CAI subsidiary that incorporates TVC'S Channels subject to the same monthly minimum and payment procedures.

10.8 All payments are due within ten (10) business days.

ARTICLE 11
RIGHT TO AUDIT RECORDS

11.1 CAI shall keep, maintain and preserve complete and accurate records and accounts, including all invoices, correspondence, ledgers, financial and other records, pertaining to TVC'S charges hereunder and such records and accounts shall be available for inspection and audit at CAI'S office once every six months during the term of this Agreement or within ninety (90) days thereafter, during reasonable business hours, by TVC or its agent. CAI shall in connection with any audit provide TVC or its agent with a copy of a current list of CAI'S subscribers. TVC'S exercise in whole or in part at any time or times of the right to audit CAI'S records or accounts or the acceptance by TVC of any statement or remittance tendered by CAI or on behalf of CAI shall be without prejudice to any other rights or remedies of TVC and shall not preclude TVC thereafter from disputing the accuracy of any such statement or payment. In the event that any audit shall disclose a differential, discrepancy or underpayment of more than five (5%) percent, then in addition to the payment of the amount found to be due to TVC, CAI shall upon demand by TVC reimburse TVC for its costs of conducting the audit. All information obtained by TVC during said audit shall be maintained on a confidential basis.

11.2 For a period of forty-eight (48) months after the creation of books or records, CAI shall keep, maintain and preserve complete and accurate records and accounts, including all invoices, correspondence, ledgers, financial and other records, pertaining to TVC'S fees and rental hereunder.

ARTICLE 12
SECURITY DEPOSIT

12.1 If any part of a past due payment, including the penalty, remains unpaid after ten (10) days following CAI'S receipt or refusal of receipt of written notice from TVC demanding such payment, TVC may demand that CAI deliver to TVC a Letter of Credit payable to TVC, drawn on a bank with a banking office in New York City (a "New York City Bank"), in the amount of the payment and penalty then due. Said Letter of Credit shall be delivered to TVC within seven (7) business days of receipt by CAI of TVC'S demand. Said Letter of Credit is payable ninety (90) days after the date the payment was due. A similar procedure shall be used for any additional failures by CAI to make prompt payments.

12.2 Within one (1) year of the date of the execution of this Agreement, CAI shall deliver and deposit the sum of into an account in a Commercial Bank authorized to do business in the State of New York for and as faithful performance of its obligation under this Agreement. Said monies in said account shall not be pledged, liened or in any other way encumbered whatsoever except for the benefit of TVC. TVC shall have the right to file the appropriate UCC (Uniform Commercial Code) filings to preserve its right of priority to these funds and CAI agrees to cooperate in the execution and filing of any such UCC filings. In the event of any material breach of this Agreement by CAI, not cured within one hundred twenty (120) days of notice of such and demand by TVC, CAI agrees to release from said bank account a sum of money sufficient to cure or pay for the cure of such default. CAI agrees to provide the necessary documentation and authorization to such commercial bank to enable it to release such funds to TVC upon demand of TVC and a representation to said Bank by TVC that TVC is entitled to said monies pursuant to the terms of this paragraph.

ARTICLE 13
CONTROL OVER PROGRAMMING

13.1 CAI intends that only programming of a sort which would not serve to place TVC'S reputation in the community or within the Roman Catholic Church in jeopardy will be transmitted by CAI on the leased channels. TVC and CAI agree that CAI shall have the right to market, as such programming currently exists, the programming of the networks listed hereto in Exhibit A. The parties recognize the difficulties inherent in specifying exact standards in this Paragraph, but believe that good faith efforts on both sides can overcome whatever differences that may arise.

13.2 All program material transmitted by CAI on the Leased Channel Facilities shall be subject ultimately to the direct and complete control of TVC to the extent required to assure compliance with FCC rules, regulations and policies, and the Federal Communications Act of 1934 as amended from time to time, and with this Agreement.

13.3 TVC specifically reserves the absolute right, pursuant to the provisions set forth below, to refuse to transmit or permit to be transmitted any program on the Leased Channel Facilities that TVC in its sole discretion determines is pornographic, obscene, x-rated, or is scandalous to the Roman Catholic Church or Faith ("objectionable" programming).

13.4 No programming shall be transmitted on the Leased Channels which gives an endorsement by CAI of any candidate for an elective office of the United States, a state government or any other governmental body.

13.5 TVC'S failure to object to an initial transmission of objectionable programming shall not constitute a waiver of its right to refuse to retransmit the programming at a later time.

13.6 The parties shall cooperate to avoid TVC'S having to exercise its right to refuse transmission on the Leased Channels. The parties acknowledge that mutual cooperation of the parties is beneficial to each party.

13.7 For purposes of this Agreement, channels created by digital compression shall be deemed leased channels.

ARTICLE 14
PROGRAM REVIEW PROCEDURES

14.1 No less than thirty (30) days in advance of transmission for each calendar month, CAI will provide TVC with a schedule and synopsis of its proposed programming ("Program Information") on the Leased Channels. When this Program Information is not available to CAI in a timely fashion, CAI will provide such information as soon as it becomes available.

14.2 If the Program Information is provided to TVC thirty (30) days in advance, TVC shall notify CAI within fourteen (14) days of its receipt if TVC determines that any of the programming is objectionable.

14.3 If the Program Information is provided to TVC less than thirty (30) days in advance of the date of the intended transmission, TVC will notify CAI as soon as is reasonably practical whether or not the programming is objectionable. Nothing herein shall be deemed to require TVC'S preview of live or taped news or public affairs or other live material, but TVC reserves the right to preview programming to the extent reasonable and practical.

14.4 If the Program Information is not disclosed to TVC or is incorrect or incomplete, TVC shall not be required to give any advance notice to CAI before refusing to transmit the programming. TVC will, however, immediately notify CAI'S general manager of TVC'S refusal to transmit any programming.

14.5 TVC shall provide notice by telephoning CAI general manager as soon as TVC decides that any programming is objectionable.

ARTICLE 15
PROMOTION, NAMES & SYMBOLS

15.1 CAI agrees to integrate TVC'S programming into the overall communications service offered to CAI'S subscribers, at TVC'S option, without cost charged to TVC. This integration shall include, but not be limited to, listing TVC'S material in any program guides distributed to subscribers, including in advertising and promotional material (including on-air promotions during Leased Time), and full attribution to TVC as the source of the material.

15.2 CAI shall not make use of the name or symbols of the Diocese in any manner whatsoever, nor shall it use any other names or symbols of The Roman Cahtolic Faith in connection with any of its programming or in any of its written or oral advertising, brochures, pamphlets, stationery, or other written matter, except with the prior written authorization of TVC. This provision does not refer to the broadcast of news programs. TVC will not unreasonably withhold such authorization.

ARTICLE 16
TRANSFER AND TERMINATION

16.1 This Agreement may be terminated by TVC or CAI upon thirty (30) days written notice to the other party (or earlier if ordered by the FCC) in the event that the FCC determines that TVC and/or CAI is not authorized to operate said channels as contemplated by this Agreement and reformation of this Agreement pursuant to Section 16 hereof is impractical or impossible. In such instance, there shall be a final accounting of monies due under this Agreement, and when completed, there shall be no further liability of one party to the other provided that neither party is in Material Breach as defined in Paragraph 16.2 herein.

16.2 Should either party be in Material Breach of this Agreement for the non-performance of the obligations contained in this Agreement, this Agreement may be terminated by the non-defaulting party if such breach shall continue for a period of thirty (30) days following the receipt of written notice from the non-defaulting party. A Material Breach shall include, but not be limited to, failure of the CAI to construct, operate, and/or maintain TVC'S facilities as described in this Agreement in a timely manner, and failure of the TVC or CAI to comply with the rules, regulations, and policies of the FCC, including filing by TVC of all necessary applications and forms to maintain the FCC licenses for the ITFS channels provided that CAI has provided engineering materials as required elsewhere in this Agreement. Notwithstanding the foregoing, CAI'S failure to make any payment required under Paragraphs ten (10) or twelve (12) herein shall also constitute a Material Breach of this Agreement; and, where such failure continues for a period of ten (10) days after receipt or refusal of receipt of written notice thereof by CAI, by TVC may elect to cancel and terminate this Agreement; and provided further that if during a period of twelve (12) consecutive months, TVC has given CAI three (3) or more notices of failure to make such payments, TVC shall thereafter be relieved of the obligation to give notice of any further failure to make payment and may declare a default upon failure of CAI to make any payment hereunder and immediately terminate this Agreement.

16.3 Provided CAI continues to make the monthly payments set forth in Article 10, CAI shall make for a period of nine (9) months after a material breach by it good faith efforts to find a substitute Lessee willing to assume all of CAI'S rights, duties and obligations under this Agreement. If after the above-described nine (9) month period (during which CAI shall remain obligated under this Agreement) CAI locates a successor willing to assume all of the rights, duties and obligations under this Agreement, CAI may assign all of its rights, duties and obligations under this Agreement to such substitute Lessee with the prior written consent of TVC. Notwithstanding the foregoing, TVC shall have the right to reject any successor to CAI which in its sole and absolute discretion does not in TVC'S sole judgement have adequate financial, technical or character qualifications. If CAI is unable within the aforementioned nine-month period to locate a substitute Lessee who is willing to assume all of the rights, duties and obligations of CAI under this Agreement and who is acceptable to TVC, CAI may terminate this Agreement. If CAI terminates this Agreement pursuant to this Paragraph 16.3, CAI shall pay to TVC, as liquidated damages, a termination payment equal to

In addition, TVC shall have the right to acquire the Leased Equipment pursuant to the provisions of Paragraph 7.2 and/or require CAI to operate and maintain TVC'S ITFS transmission facilities, including the Leased Equipment, for the remainder of the term of this Agreement in accordance with the provisions of this Agreement; provided, however, that if TVC enters into an excess capacity lease agreement for the ITFS Channels at any time during the remainder of the term of this Agreement, CAI'S obligation to maintain the operation of TVC'S ITFS transmission facilities shall cease. Under such circumstances, however, TVC shall still retain the right to acquire the Leased Equipment from CAI in accordance with the provision of Paragraph 7.2.

16.4 During the term of this Agreement and any renewal thereof, CAI will be solely responsible for obtaining and paying for rooftop leases and equipment room leases at the NTP for TVC'S facilities. The rooftop and equipment room leases for the TVC facilities will be in the name of CAI and will provide, subject to the ability to obtain such terms from the lessor of the NTP, that if TVC terminates this Agreement due to CAI'S material breach of this Agreement that TVC shall have the right to lease space for the equipment necessary for TVC'S programs; and further that said lease for TVC shall be for a term of five (5) years with the rent prepaid by CAI. Said lease terms for TVC shall also provide that it shall have the right to cancel such lease upon three (3) months written notice to the NTP.

ARTICLE 17
BINDING ARBITRATION

17.1 If the parties cannot agree upon the fair market value of the Leased Equipment or the number of CAI'S subscribers pursuant to any provision of this Agreement, the parties shall submit the dispute to a mutually acceptable certified public accountant or such other person as may be agreed to by the parties, whose decision shall be deemed binding and non-appealable. Costs associated with the use of said certified public accountant shall be borne equally by TVC and CAI. The procedures described herein shall not affect CAI'S obligation to transfer title to the Leased Equipment to TVC within the time period set forth in Paragraph 7.2 of this Agreement.

17.2 This Arbitration clause is a limited Arbitration clause. It is expressly limited to disputes regarding the fair market value of Leased Equipment and the number of CAI subscribers. It is not applicable to any other issues whether expressly or not expressly listed in Article 16.

ARTICLE 18
ASSIGNMENT AND SUBLEASING

18.1 Except as provided in Paragraph 16 above, and except with respect to CAI'S right to pledge the Leased Equipment as security for a loan, neither CAI nor TVC may terminate, assign, sublease or transfer its rights, benefits, duties or obligations under this Agreement without the prior written consent of the other which consent shall be in the sole and absolute discretion of the other party, provided, however, that, upon prior written notification to the other party, either party may freely assign its rights and obligations under this Agreement to a wholly-owned subsidiary or controlled affiliate without the prior written consent of the other. Any assignment, sublease or transfer not in accordance with this paragraph shall be deemed null and void.

ARTICLE 19
INDEMNIFICATION AND HOLD HARMLESS

19.1 Each party will indemnify, defend and hold the other free and harmless, of from and against any and all claims, liability, loss or damage whatsoever on account of any loss, injury, libel, slander, death or damage arising in any way out of the acts, omissions, commissions or negligence of the other party.

19.2 Throughout the term of this Agreement, CAI shall maintain insurance coverage with financially reputable insurers in an amount adequate to cover its risks under this Agreement, but in no event less than Two Million ($2,000,000.00) and 00/100 Dollars including insurance against property damage, public liability, and any other liabilities arising out of the operation of CAI'S program service on the ITFS Channels, including but not limited to claims based on patent and copyright infringement, defamation, invasion of privacy and other infringements of rights. TVC shall be named as an additional insured on all of such policies and CAI shall provide TVC from time to time with certificates of such insurance and evidence that the premiums therefore have been paid.

ARTICLE 20
FORCE MAJEURE

20.1 Notwithstanding anything contained in this Agreement to the contrary, neither party shall be liable to the other for failure to perform any obligation under this Agreement (nor shall any charges or payments be made in respect thereof) if prevented from doing so by reason of fires, embargoes, civil commotion, rationing, or other orders or requirements, acts of civil or military authorities, acts of God or other contingencies beyond the reasonable control of the parties, including, but not limited to the adoption of a Federal or State law or action of any Federal or State oversight agency, including the FCC, which prevents TVC or CAI from performing under this Agreement, and all requirements as to notice and other performance required hereunder within a specified period shall be automatically extended to accommodate the period of dependency of any such contingency which shall interfere with such performance.

ARTICLE 21
SPECIFIC PERFORMANCE

21.1 The parties acknowledge and agree that the rights reserved to CAI and to TVC hereunder are necessarily of a special, unique, unusual, and extraordinary character, which gives them a peculiar value, the loss of which cannot be adequately or reasonably compensated for in damages or in an action at law, and the breach by either party of any of the provisions of this Agreement will cause the other party irreparable injury and damage. In such event, the non-defaulting party shall be entitled, as a matter of right, without further notice, to require of the other party specific performance of all of the acts, services, and undertakings required hereunder, including the obtaining and undertaking of all requisite authorizations to execute or perform this Agreement and to obtain injunctive and other equitable relief in any competent court to prevent the violation or threatened violation of any of the provisions of this Agreement, provided, however, that neither party shall be required to perform in a manner that would violate any FCC or other governmental law, rule, or policy. Neither this provision nor any exercise by CAI or TVC of their rights to equitable relief or specific performance herein granted shall constitute a waiver by either party of any other rights which it may have to damages or otherwise. In the event that CAI is able to obtain specific performance as specified under this Article 21, such specific performance shall be its sole remedy.

ARTICLE 22
INSURANCE

22.1 Each party shall maintain libel and slander insurance in an amount which is customary (similar to cable) for their respective services (MMDS for CAI and ITFS for TVC).

ARTICLE 23
BINDING EFFECT

23.1 This Agreement shall bind and inure to the benefit of the parties and their successors in interest and permitted assigns.

ARTICLE 24
SEVERABILITY

24.1 If any part of this Agreement is determined to be in violation of any applicable law, rule or regulation, the remainder of this Agreement shall continue in full force and effect, provided that the obligations and benefits of the parties hereunder are not materially changed.

ARTICLE 25
NOTICES

25. 1 Unless specifically noted to the contrary, all notices shall be sent by hand or by express delivery, return receipt requested. Notice shall be effective upon receipt or refusal of receipt.

Notice to TVC must be sent to:

Reverend Monsignor Michael J. Dempsey
Executive Director
Trans Video Communications, Inc.
1712 Tenth Avenue
Brooklyn, New York 11215
(718) 499-9705

With a copy to:

HURLEY, KEARNEY & LANE, ESQ.
32 Court Street
Brooklyn, New York 11201
Attn: Richard J. Cea, Esq.
(718) 852-5900

and

Vicar of Administration of the Roman
Catholic Diocese of Brooklyn, New York
P.O. Box C
75 Greene Avenue
Brooklyn, New York 11202

Notice to CAI must be sent:

Mr. Timothy Sentora
CAI Wireless Systems, Inc.
12 Corporate Woods Boulevard
Suite 102
Albany, New York 12211

With a copy to:

GERALD STEVENS-KITTNER, ESQ.
ARTER & HADDEN
1801 K Street, N.W.
Suite 400K
Washington, D.C. 20006

ARTICLE 26
MISCELLANEOUS PROVISIONS

26.1 Entire Agreement: This Agreement constitutes the entire Agreement between the parties and supersedes all prior oral or written provisions of any kind. The parties further agree that this Agreement may only be modified by written Agreement signed by both parties.

26.2 DEADLINES WITH THIRD PARTIES: Neither party is, and neither party shall hold itself out to be, vested with any power or right to contractually bind, act on behalf of the other as its contracting broker, agent or otherwise for committing,selling, conveying or transferring any of the other party's assets or property, contacting for or in the name of the other party, or making any contractfully binding representations on behalf of the other party. Without limiting the foregoing, in no event shall CAI be identified as the licensee of the ITFS Channels or shall TVC be held out as the programmer of the Leased Time programmed by CAI.

Nothing in this Agreement shall be deemed to create a partnership or joint venture of any kind between the parties.

26.3 Headings: The paragraph headings are for the convenience of the parties and in no way alter, modify, amend, limit or restrict the contractual obligations of the parties.

26.4 Counterparts: This Agreement may be signed in any number or counterparts with the same effect as if the signature on each copy appeared or the other.

26.5 Jurisdiction: This Agreement shall be governed by the laws of the State of New York except where Federal Law supersedes State Law.

ACCORDINGLY, THE PARTIES HEREBY EXECUTE THIS AGREEMENT ON THE FIRST DATE SET FORTH ABOVE.

TRANS VIDEO COMMUNICATIONS, INC.

BY: Msgr Michael J Dempsey

REV. MSGR. MICHAEL J. DEMPSEY
EXECUTIVE DIRECTOR

CAI WIRELESS SYSTEMS, INC.

BY: ____________________

MR. JARED E. ABBRUZZESE,
PRESIDENT