

RESOLUTION NO. 2004- 174

**A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, WAIVING VIOLATION OF SECURING COUNTY APPROVAL FOR PRIOR SALE OF CONTROLLING INTEREST IN LITESTREAM TECHNOLOGIES, LLC, TO AMERICAN CAPITAL CORPORATION, WAIVING ANY LIQUIDATED DAMAGES ASSOCIATED WITH THE FAILURE TO SECURE SUCH PRIOR APPROVAL, AND APPROVING THE PENDING TRANSFER OF COUNTY CABLE TELEVISION FRANCHISE FROM LITESTREAM TECHNOLOGIES, LLC, TO LITESTREAM HOLDINGS, LLC.**

**WHEREAS**, the Board of County Commissioners of St. Johns County, Florida (“Board”), passed and enacted on February 26, 2002, St. Johns County Ordinance 2002-12, which granted a cable television franchise to Litestream Technologies, LLC (a Florida limited liability company) for a portion of the un-incorporated area of St. Johns County, Florida, which is more graphically noted and described in attached and incorporated **Exhibit “A”**; and

**WHEREAS**, Litestream Technologies, LLC, is subject to, and expected to comply with, all applicable provisions of County Ordinance 95-63, which sets forth, and establishes the rules, and parameters governing cable television regulation within the unincorporated area of St. Johns County, Florida; and

**WHEREAS**, during May 2003, Litestream Technologies, LLC, sold a controlling interest in Litestream Technologies, LLC, to American Capital Corporation; and

**WHEREAS**, Litestream Technologies, LLC, neither notified nor requested approval from the Board for the sale of a controlling interest in Litestream Technologies, LLC, to American Capital Corporation; and

**WHEREAS**, the failure by Litestream Technologies, LLC, to notify and request approval from the Board for the sale of a controlling interest in Litestream Technologies, LLC, to American Capital Corporation amounted to a violation of Section III, Paragraph 8(B) of County Ordinance 95-63; and

**WHEREAS**, the failure by Litestream Technologies, LLC, to notify and request approval from the Board for the sale of a controlling interest in Litestream Technologies, LLC, to American Capital Corporation subjected Litestream Technologies, LLC to liquidated damages totaling five hundred dollars (\$500.00) per day that the violation exists, under Section III, Paragraph 8(C) of County Ordinance 95-63; and

**WHEREAS**, after acquiring a controlling interest in Litestream Technologies, LLC, American Capital Corporation failed to make payment on a promissory note that was part of the sale, which prevented Litestream Technologies, LLC from having sufficient cash to operate the

franchised cable television system, and contributed to an involuntary bankruptcy petition being filed against Litestream Technologies, LLC; and

**WHEREAS**, notice of Bankruptcy was provided to the St. Johns County Tax Collector, as opposed to the St. Johns County Administrator, as detailed and required under Exhibit B, Section XIII of County Ordinance 2002-12 (Cable Television Franchise Agreement between Litestream Technologies, LLC, and St. Johns County, Florida); and

**WHEREAS**, the failure of notice of Bankruptcy being sent to the proper party deprived the County of filing a Proof of Claim in the Bankruptcy Court; and

**WHEREAS**, as a result of the County not filing a Proof of Claim in Bankruptcy Court, the County waived certain of its legal interests in the Bankruptcy action; and

**WHEREAS**, Residential Telecom, LLC, on May 14, 2004, entered into an Asset Purchase Agreement with Litestream Technologies, LLC; and

**WHEREAS**, Residential Telecom, LLC, on May 21, 2004, assigned said Asset Purchase Agreement to Litestream Holdings, LLC; and

**WHEREAS**, Litestream Technologies, LLC, is a current and existing Florida limited liability company (having been organized under the laws of the State of Florida, and filed on May 18, 2004); and

**WHEREAS**, Litestream Technologies, LLC, and Litestream Holdings, LLC, (as assignee of Residential Telecom, LLC) entered into a Bill of Sale, Assignment, and Assumption Agreement; and

**WHEREAS**, Litestream Technologies, LLC on June 14, 2004, filed an FCC 394 Form with the County (which is attached and incorporated as **Exhibit "B"**), in which Litestream Technologies, LLC requested that St. Johns County, Florida approve the proposed transfer of the current cable television franchise that the County has with Litestream Technologies, LLC, to Litestream Holdings, LLC; and

**WHEREAS**, under the 120-day timeframe established in the Federal Cable Act, St. Johns County (through its Board of County Commissioners) has until October 13, 2004, in which to approve or deny the Transfer Consent Request submitted by Litestream Technologies, LLC, on behalf of Litestream Holdings, LLC; and

**WHEREAS**, Litestream Technologies, LLC, has amassed at least two hundred one thousand, five hundred dollars (\$201,500.00) in liquidated damages, by virtue of Litestream Technologies, LLC, selling a controlling interest in Litestream Technologies, LLC, to American Capital Corporation without having first requested approval from the County, or informing the County of the sale; and

**WHEREAS**, Litestream Technologies, LLC, entered into a Bill of Sale, Assignment, and Assumption Agreement, with Litestream Holdings, LLC, without having notified Litestream Holdings, LLC, of Litestream Technologies, LLC's failure to secure approval of the controlling interest to American Capital Corporation; and

**WHEREAS**, subsequent to notification of the prior franchise violation, and the amassing/accruing of liquidated damages, Litestream Holdings, LLC, has requested waiver from the franchise violation, and any subsequent amassing/accruing of liquidated damages, which is attached, and incorporated as **Exhibit "C"**; and

**WHEREAS**, the Bill of Sale, Assignment, and Assumption Agreement between Litestream Technologies, LLC, and Litestream Holdings, LLC, is contingent upon Litestream Holdings, LLC, receiving approval of its petition request to transfer the existing cable television franchise from Litestream Technologies, LLC, to Litestream Holdings, LLC; and

**WHEREAS**, if the Bill of Sale, Assignment, and Assumption Agreement between Litestream Technologies, LLC, and Litestream Holdings, LLC, is not approved by the County, then cable television service to the current cable customers of Litestream Technologies will be interrupted/ceased until either the County assumes control of the cable system, or the cable system is sold/transferred/assigned to another cable operator; and

**WHEREAS**, the interruption/cessation of cable service would negatively impact such cable customers; and

**WHEREAS**, St. Johns County, Florida has reviewed the data/documents/information submitted in Litestream Technologies, LLC's FCC 394 Form, and other supporting materials; and

**WHEREAS**, after a review of the data/documents/information submitted in Litestream Technologies, LLC's FCC 394 Form, together with a review of supporting materials, St. Johns County, Florida (through its Board of County Commissioners) has determined that upon consummation of the Asset Purchase Agreement between Litestream Technologies, LLC, and Residential Telecom, LLC, and its subsequent assignment to Litestream Holdings, LLC, the new corporate entity Litestream Holdings, LLC will have the requisite technical, legal, financial, and character qualifications, in order to operate a cable television system within a portion of the unincorporated area of St. Johns County, Florida.

**NOW THEREFORE BE IT RESOLVED BY** the Board of County Commissioners of St. Johns County, Florida, that:

**Section 1.** The above-noted Recitals are incorporated by reference into this Resolution, and are considered Findings of Fact.

**Section 2.** St. Johns County, Florida, waives Litestream Technologies, LLC's, violation of Section III, Paragraph 8(B) of County Ordinance 95-63, which occurred as a result of Litestream Technologies, LLC, selling a controlling interest in Litestream Technologies, LLC,

to American Capital Corporation without providing advance notice, or securing advance approval from the Board of County Commissioners of St. Johns County, Florida.

**Section 3.** St. Johns County, Florida waives any, and all assessed liquidated damages that have amassed/accrued as a result of Litestream Technologies, LLC, selling a controlling interest in Litestream Technologies, LLC, to American Capital Corporation, without providing advance notice, or securing advance approval from the Board of County Commissioners of St. Johns County, Florida, which violated Section III, Paragraph 8(C) of County Ordinance 95-63.

**Section 4.** St. Johns County, Florida, grants, approves, and consents to the transfer of the cable television franchise originally granted to Litestream Technologies, LLC to Litestream Holdings, LLC.

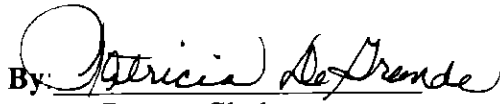
**PASSED AND ADOPTED** by the Board of County Commissioners of St. Johns County, Florida, this 13<sup>th</sup> day of July, 2004.

**BOARD OF COUNTY COMMISSIONERS  
OF ST. JOHNS COUNTY, FLORIDA**

By:   
Karen R. Stern, Chair

ATTEST: Cheryl Strickland, Clerk

RENDITION DATE 7-19-04

By:   
Deputy Clerk

Effective Date: 7-13-04

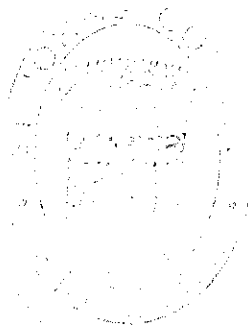
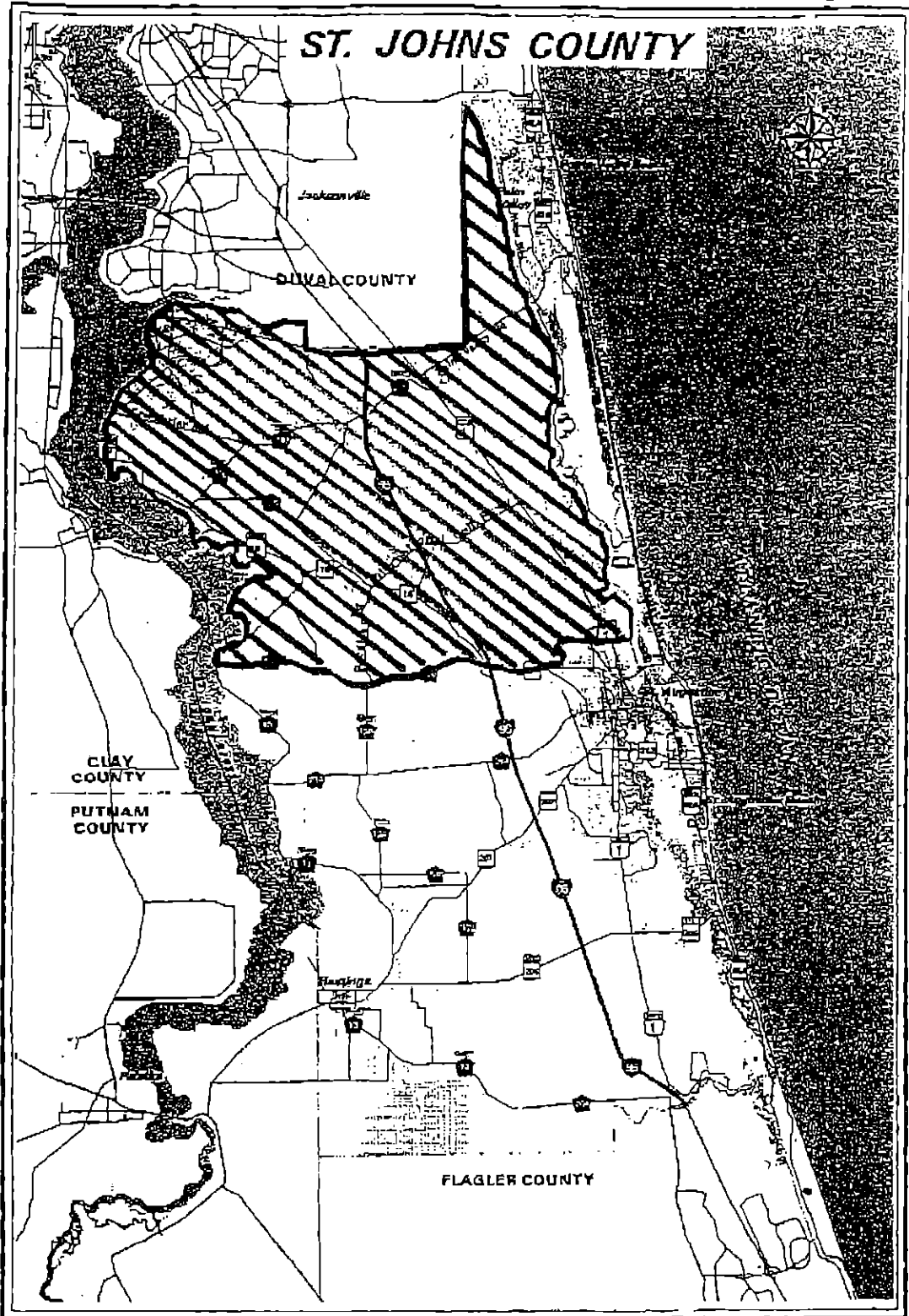


EXHIBIT A



The portion of St. Johns County, Florida bearing the following description: north of SR-16, west of the intracoastal waterway, south of St. Johns County/Duval County boarder, and east of the St. Johns river.

Exhibit B

**Materials in Support of the:**

**Application for Transfer of the Franchise of  
LITESTREAM TECHNOLOGIES, LLC to  
LITESTREAM HOLDINGS.**

**June 17, 2004**

**Table of Contents**

<u>Document</u>	<u>Tab</u>
Application for Franchise Authorization consent to Assign or Transfer control of Cable Television Franchise	1
Transfer Application Fee	2
Certificate of Organization and Formation of Litestream Holdings, LLC	3
Map of Communities presently served	4
Asset Purchase Agreement between Residential Telecom ("ResTel") and Litestream Technologies, LLC, a debtor, in possession under bankruptcy Case No. 04-03721-KRM ("Seller")	5
Assignment of Asset Purchase Agreement by ResTel to Litestream Holdings, LLC, ("Purchaser")	6
Bill of Sale, Assignment and Assumption Agreement from Seller to Purchaser	7
Assignment, Transfer and Quit Clam of Easements from Seller to Purchaser	8
Letter of Agreement between Seller and Purchaser regarding consent to assignment of Franchise Agreement by St. Johns County	9
Unanimous Written Consent of Sole Member and Manger authorizing the transaction	10
Certificate of Existence issued by the Florida Department of State	11

Estoppel Letters in connection with the assignment of contract from:	12
1) Stonehurst Plantation, Inc.	
2) St. Joe Residential Acquisitions, Inc.	
3) St. Johns Golf & Country Club Community Association, Inc.	
4) The Oaks Housing Partners, Ltd.	
5) D.R. Horton, Inc.	
6) Taylor Woodrow Communities at St. Johns Forrest, LLC	
7) St. Johns Forest Master Property Owners Association, Inc.	
8) Hutson Companies, LLC	
9) Johns Creek, LLC	
10) Palencia Property Owners Association of St. Johns County, Inc. and Marshall Creek, Ltd.	
Seller's Closing Statement with default cure payments schedule attached	13
Copy of Check payable to escrow Agent in the amount of \$1,193,175.37	14
Management	15
Operations Summary	16

**FCC 394**

**APPLICATION FOR FRANCHISE AUTHORITY  
 CONSENT TO ASSIGNMENT OR TRANSFER OF CONTROL  
 OF CABLE TELEVISION FRANCHISE**

FOR FRANCHISE AUTHORITY USE ONLY

**SECTION I. GENERAL INFORMATION**

DATE	1. Community Unit Identification Number:
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2. Application for:  Assignment of Franchise  Transfer of Control

3. Franchising Authority: St. Johns County	
4. Identify community where the system/franchise that is the subject of the assignment or transfer of control is located: Wingfield Glen, The Oaks, St. John's Forest, Johns Creek, and Palencia in St. Johns County	
5. Date system was acquired or (for system's constructed by the transferor/assignor) the date on which service was provided to the first subscriber in the franchise area:	05/21/2004
6. Proposed effective date of closing of the transaction assigning or transferring ownership of the system to transferee/assignee:	Contingent on County franchise transfer 05/21/2004

7. Attach as an Exhibit a schedule of any and all additional information or material filed with this application that is identified in the franchise as required to be provided to the franchising authority when requesting its approval of the type of transaction that is the subject of this application.

Exhibit No.

**PART I - TRANSFEROR/ASSIGNOR**

1. Indicate the name, mailing address, and telephone number of the transferor/assignor.

Legal name of Transferor/Assignor (if individual, list last name first) <b>Litestream Technologies LLC</b>			
Assumed name used for doing business (if any)			
Mailing street address or P.O. Box 3550 West Waters Avenue			
City Tampa	State FL	ZIP Code 33614	Telephone No. (include area code) (813) 375-3300

2.(a) Attach as an Exhibit a copy of the contract or agreement that provides for the assignment or transfer of control (including any exhibits or schedules thereto necessary in order to understand the terms thereof). If there is only an oral agreement, reduce the terms to writing and attach. (Confidential trade, business, pricing or marketing information, or other information not otherwise publicly available, may be redacted).

Exhibit No.  
I

(b) Does the contract submitted in response to (a) above embody the full and complete agreement between the transferor/assignor and the transferee/assignee?

Yes  No

If No, explain in an Exhibit.

Exhibit No.



PART II - TRANSFEREE/ASSIGNEE

1. (a) Indicate the name, mailing address, and telephone number of the transferee/assignee.

Legal name of Transferee/Assignee (if individual, list last name first)			
Litestream Holdings, LLC			
Assumed name used for doing business (if any)			
Litestream			
Mailing street address or P.O. Box			
500 Australian Ave So., Suite 120			
City	State	ZIP Code	Telephone No. (include area code)
West Palm Beach	FL	33401	561-659-5400

(b) Indicate the name, mailing address, and telephone number of person to contact, if other than transferee/assignee.

Name of contact person (list last name first)			
Phil Holdbrooks			
Firm or company name (if any)			
Litestream Holdings, LLC			
Mailing street address or P.O. Box			
500 Australian Ave So., Suite 120			
City	State	ZIP Code	Telephone No. (include area code)
West Palm Beach	FL	33401	561-659-5400

(c) Attach as an Exhibit the name, mailing address, and telephone number of each additional person who should be contacted, if any.

Exhibit No.
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(d) Indicate the address where the system's records will be maintained.

Street address		
500 Australian Ave So., Suite 120		
City	State	ZIP Code
West Palm Beach	FL	33401

2. Indicate on an attached exhibit any plans to change the current terms and conditions of service and operations of the system as a consequence of the transaction for which approval is sought.

Exhibit No.
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SECTION II. TRANSFEREE'S/ASSIGNEE'S LEGAL QUALIFICATIONS

1. Transferee/Assignee is:

<input checked="" type="checkbox"/> Corporation	a. Jurisdiction of incorporation: Florida	d. Name and address of registered agent in jurisdiction:
	b. Date of incorporation: 05/21/2004	David Ristaino Akerman Senterfit Et Al
	c. For profit or not-for-profit: For profit	One Southeast 3rd Ave., 28th Floor Miami FL 33131

<input type="checkbox"/> Limited Partnership	a. Jurisdiction in which formed:	c. Name and address of registered agent in jurisdiction:
	b. Date of formation:	

<input type="checkbox"/> General Partnership	a. Jurisdiction whose laws govern formation:	b. Date of formation:
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Individual

Other. Describe in an Exhibit.

Exhibit No.
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2. List the transferee/assignee, and, if the transferee/assignee is not a natural person, each of its officers, directors, stockholders beneficially holding more than 5% of the outstanding voting shares, general partners, and limited partners holding an equity interest of more than 5%. Use only one column for each individual or entity. Attach additional pages if necessary. (Read carefully - the lettered items below refer to corresponding lines in the following table.)

- (a) Name, residence, occupation or principal business, and principal place of business. (If other than an individual, also show name, address and citizenship of natural person authorized to vote the voting securities of the applicant that it holds.) List the applicant first, officers, next, then directors and, thereafter, remaining stockholders and/or partners.
- (b) Citizenship.
- (c) Relationship to the transferee/assignee (e.g., officer, director, etc.).
- (d) Number of shares or nature of partnership interest.
- (e) Number of votes.
- (f) Percentage of votes.

(a)	Paul Rhodes	500 Australian Ave So., Suite 120 West Palm Beach, FL 33401	Land Development Home Building
(b)	USA		
(c)	Managing Member		
(d)	100		
(e)	100		
(f)	100%		

3. If the applicant is a corporation or a limited partnership, is the transferee/assignee formed under the laws of, or duly qualified to transact business in, the State or other jurisdiction in which the system operates?  Yes  No

If the answer is No, explain in an Exhibit.

Exhibit No.
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4. Has the transferee/assignee had any interest in or in connection with an applicant which has been dismissed or denied by any franchise authority?  Yes  No

If the answer is Yes, describe circumstances in an Exhibit.

Exhibit No.
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5. Has an adverse finding been made or an adverse final action been taken by any court or administrative body with respect to the transferee/assignee in a civil, criminal or administrative proceeding, brought under the provisions of any law or regulation related to the following: any felony; revocation, suspension or involuntary transfer of any authorization (including cable franchises) to provide video programming services; mass media related antitrust or unfair competition; fraudulent statements to another government unit; or employment discrimination?  Yes  No

If the answer is Yes, attach as an Exhibit a full description of the persons and matter(s) involved, including an identification of any court or administrative body and any proceeding (by dates and file numbers, if applicable), and the disposition of such proceeding.

Exhibit No.
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6. Are there any documents, instruments, contracts or understandings relating to ownership or future ownership rights with respect to any attributable interest as described in Question 2 (including, but not limited to, non-voting stock interests, beneficial stock ownership interests, options, warrants, debentures)?  Yes  No

If Yes, provide particulars in an Exhibit.

7. Do documents, instruments, agreements or understandings for the pledge of stock of the transferee/assignee, as security for loans or contractual performance, provide that: (a) voting rights will remain with the applicant, even in the event of default on the obligation; (b) in the event of default, there will be either a private or public sale of the stock; and (c) prior to the exercise of any ownership rights by a purchaser at a sale described in (b), any prior consent of the FCC and/or of the franchising authority, if required pursuant to federal, state or local law or pursuant to the terms of the franchise agreement will be obtained?  Yes  No

If No, attach as an Exhibit a full explanation.

Exhibit No.
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### SECTION III. TRANSFEREE'S/ASSIGNEE'S FINANCIAL QUALIFICATIONS

1. The transferee/assignee certifies that it has sufficient net liquid assets on hand or available from committed resources to consummate the transaction and operate the facilities for three months.  Yes  No

2. Attach as an Exhibit the most recent financial statements, prepared in accordance with generally accepted accounting principals, including a balance sheet and income statement for at least one full year, for the transferee/assignee or parent entity that has been prepared in the ordinary course of business, if any such financial statements are routinely prepared. Such statements, if not otherwise publicly available, may be marked CONFIDENTIAL and will be maintained as confidential by the franchise authority and its agents to the extent permissible under local law.

Exhibit No. 2
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### SECTION IV. TRANSFEREE'S/ASSIGNEE'S TECHNICAL QUALIFICATIONS

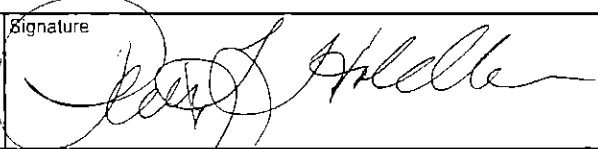
Set forth in an Exhibit a narrative account of the transferee's/assignee's technical qualifications, experience and expertise regarding cable television systems, including, but not limited to, summary information about appropriate management personnel that will be involved in the system's management and operations. The transferee/assignee may, but need not, list a representative sample of cable systems currently or formerly owned or operated.

Exhibit No. 3
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SECTION V - CERTIFICATIONS

Part I - Transferor/Assignor

All the statements made in the application and attached exhibits are considered material representations, and all the Exhibits are a material part hereof and are incorporated herein as if set out in full in the application.

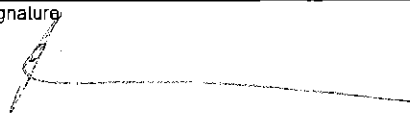
I CERTIFY that the statements in this application are true, complete and correct to the best of my knowledge and belief and are made in good faith.	Signature 
	Date 6/14/04
WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT. U.S. CODE, TITLE 18, SECTION 1001.	Print full name Phillip Holdbrooks
	Check appropriate classification: <input type="checkbox"/> Individual <input type="checkbox"/> General Partner <input checked="" type="checkbox"/> Corporate Officer (Indicate Title) CEO <input type="checkbox"/> Other. Explain:

Part II - Transferee/Assignee

All the statements made in the application and attached Exhibits are considered material representations, and all the Exhibits are a material part hereof and are incorporated herein as if set out in full in the application.

The transferee/assignee certifies that he/she:

- (a) Has a current copy of the FCC's Rules governing cable television systems.
- (b) Has a current copy of the franchise that is the subject of this application, and of any applicable state laws or local ordinances and related regulations.
- (c) Will use its best efforts to comply with the terms of the franchise and applicable state laws or local ordinances and related regulations, and to effect changes, as promptly as practicable, in the operation system, if any changes are necessary to cure any violations thereof or defaults thereunder presently in effect or ongoing.

I CERTIFY that the statements in this application are true, complete and correct to the best of my knowledge and belief and are made in good faith.	Signature 
	Date 6/13/04
WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT. U.S. CODE, TITLE 18, SECTION 1001.	Print full name Paul Rhodes
	Check appropriate classification: <input type="checkbox"/> Individual <input type="checkbox"/> General Partner <input type="checkbox"/> Corporate Officer (Indicate Title) <input checked="" type="checkbox"/> Other. Explain:

# State of Florida



## Department of State

I certify from the records of this office that LITESTREAM HOLDINGS, LLC, is a limited liability company organized under the laws of the State of Florida, filed on May 18, 2004.

The document number of this company is L04000037810.

I further certify that said company has paid all fees due this office through December 31, 2004, and its status is active.

Given under my hand and the  
Great Seal of the State of Florida  
at Tallahassee, the Capitol, this the  
Twenty-first day of May, 2004



CR2EO22 (2-03)

*Glenda E. Hood*

Glenda E. Hood  
Secretary of State



FLORIDA DEPARTMENT OF STATE  
Glenda E. Hood  
Secretary of State

May 19, 2004

LITESTREAM HOLDINGS, LLC  
500 AUSTRALIAN AVENUE SOUTH, SUITE 120  
WEST PALM BEACH, FL 33401

The Articles of Organization for LITESTREAM HOLDINGS, LLC were filed on May 18, 2004, and assigned document number L04000037810. Please refer to this number whenever corresponding with this office.

In accordance with section 608.406(2), F.S., the name of this limited liability company is filed with the Department of State for public notice only and is granted without regard to any other name recorded with the Division of Corporations.

The certification you requested is enclosed. To be official, the certification for a certified copy must be attached to the original document number that was electronically submitted and filed under FAX audit number H04000108098.

A limited liability annual report/uniform business report will be due this office between January 1 and May 1 of the year following the calendar year of the file date. A Federal Employer Identification (FEI) number may be required before this report can be filed. Please apply NOW with the Internal Revenue Service by calling 1-800-829-3676 and requesting form SS-4.

Please be aware if the limited liability company address changes, it is the responsibility of the limited liability to notify this office.


Should you have any questions regarding this matter, please telephone (850) 245-6051, the Registration Section.

Michelle Hodges  
Document Specialist  
Division of Corporations

Letter Number: 604A00034965

Division of Corporations - P.O. BOX 6327 -Tallahassee, Florida 32314

# State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Organization of LITESTREAM HOLDINGS, LLC, a limited liability company organized under the laws of the state of Florida, filed on May 18, 2004, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H04000108098. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below.

The document number of this limited liability company is L04000037810.

Authentication Code: 604A00034965-051904-L04000037810-1/1

Given under my hand and the  
Great Seal of the State of Florida,  
at Tallahassee, the Capital, this the  
Nineteenth day of May, 2004



*Glenda E. Hood*  
Glenda E. Hood  
Secretary of State

**ARTICLES OF ORGANIZATION  
OF  
LITESTREAM HOLDINGS, LLC**

**ARTICLE I: - Name**

The name of the Limited Liability Company is: **LITESTREAM HOLDINGS, LLC**

**ARTICLE II: - Address**

The mailing address and street address of the principal office of the Limited Liability Company is:

500 Australian Avenue South  
Suite 120  
West Palm Beach, Florida 33401

**ARTICLE III: - Registered Agent, Registered Office, & Registered Agent's Signature:**

The name and the Florida street address of the registered agent and registered office are:

American Information Services, Inc.  
One Southeast Third Avenue, 28<sup>th</sup> Floor  
Miami, Florida 33131

*Having been named as registered agent and to accept service of process for the above stated limited liability company at the place designated in this certificate, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relating to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent as provided for in Chapter 608, F.S.*

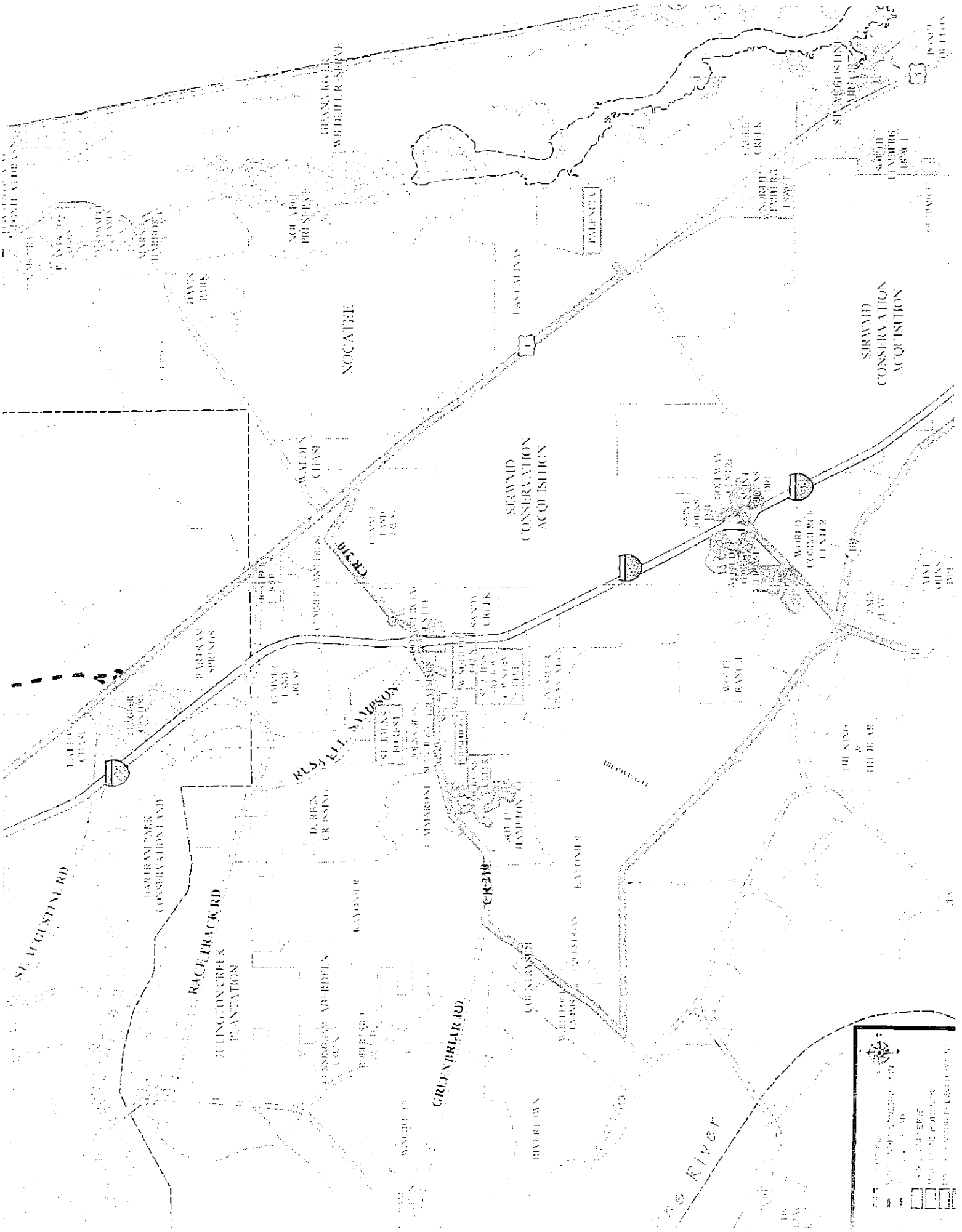
American Information Services, Inc.

By: *Nery C Toledo, Asst. Sec.*  
Nery C Toledo, Assistant Secretary  
Registered Agent

*David Ristaino*  
David Ristaino, Esq.  
Authorized Representative of a Member

Signed and dated this 18<sup>th</sup> day of May, 2004.





Scale: 1" = 1/4 mile

Inset Map: Shows location within a larger regional context.

Legend:

- SRV (SRAV) Conservation Acquisition
- SRA (SRA) Conservation Acquisition
- Other Land
- Water

## ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this "Agreement") is entered into as of May 13, 2004 (the "Effective Date"), by and between **RESIDENTIAL TELECOM, L.L.C.**, a Florida corporation (the "Purchaser"), and **LITESTREAM TECHNOLOGIES, L.L.C.**, a limited liability company organized under the laws of the State of Florida, as Debtor in Possession under Bankruptcy Case #04-03721-KRM (the "Bankruptcy Case") in the United States Bankruptcy Court for the Middle District of Florida (the "Seller"). Certain other capitalized terms used herein are defined in Article IX and throughout this Agreement.

### RECITALS

A. The Seller is engaged in the business of providing cable television service to various homeowners' associations and other residential developments through a fiber optic system which it owns and operates (the "Business").

B. The Seller wishes to sell and Purchaser wishes to buy all of the assets relating to the Business (as described in Section 1.1 below) on the terms and subject to the conditions hereinafter set forth (the "Asset Purchase").

C. The Seller is presently operating as a Debtor-in-Possession pursuant to the United States Bankruptcy Code (the "Bankruptcy Code") and under order dated March 3, 2004 and, as a result, the Asset Purchase will be completed pursuant to 11 USC Sections 363 and 365 of the Bankruptcy Code and will require approval of the Bankruptcy Court (the "Bankruptcy Court") presiding over the Bankruptcy Case.

### TERMS OF AGREEMENT

In consideration of the mutual representations, warranties, covenants and agreements contained herein, the parties hereto agree as follows:

## ARTICLE I

### PURCHASE AND SALE OF ASSETS: PURCHASE PRICE: CLOSING

**1.1 Purchased Assets.** Except as otherwise provided in this Agreement or the Schedules hereto, the Seller agrees to sell, convey, transfer, assign and deliver to Purchaser on the Closing Date (as defined below), on the terms and subject to the conditions set forth in this Agreement, all of its right, title, and/or interest in and to all of the assets listed on Schedule 1.1(a) hereto (generally described as the St. John's County and Intangible Assets but excluding all assets listed on Schedule 1.1(b) hereto such as the Pasco County Assets) along with all other properties, business and trade names, goodwill and other assets of the Purchaser related to, or used in the operation of, the Business, whether real, personal or mixed, tangible or intangible, wherever located, as they exist on the Closing Date (collectively, the "Purchased Assets") which, without limiting the generality of the foregoing, shall include the following:

(a) all vehicles, machinery, equipment, fiber optic systems and cables, tools, supplies, leasehold improvements, furniture and fixtures owned by the Seller, and any other tangible personal property owned by the Seller, in each case related to, or used in the operation of, the Business;

(b) all inventories owned by the Seller related to the Business;

(c) all of the interests, rights and benefits accruing to the Seller under any licenses, service agreements, customer agreements, maintenance and support agreements, equipment leases, franchise contracts, sales orders, sales contracts, supply contracts, purchase orders and purchase commitments, and any other executory contracts of any kind or nature made by the Seller (subject to Bankruptcy Court Approval (as defined below), all other agreements to which the Seller is a party or by which it is bound and all choses in action, causes of action and other rights of every kind owned by the Seller, in each case which are related to, or used in the operation of, the Business, and all of which the Seller shall assume and assign to the Purchaser in accordance with 11 USC Section 365;

(d) all operating data and records owned by the Seller, including all customer lists;

(e) all of the Seller's rights with respect to intangible property, including, but not limited to, all patents (and applications therefor), licenses, trademarks (and applications therefor), service marks, tradenames (whether registered or unregistered), domain names (and any derivations thereof), copyrights (and applications therefor), proprietary computer software, proprietary inventions, proprietary technology, technical information, discoveries, designs, proprietary rights and non-public information, trade secrets, and know-how, in each case whether or not patentable (collectively, the "Intellectual Property");

(f) all permits, licenses and other authorizations of the Seller related to the Business;

(g) all rights with respect to the Seller's cable franchises; and

(h) all other assets of the Seller of any kind or nature related to, or used in the operation of, the Business.

**1.2 Asset Transfer.** At the Closing, subject to Bankruptcy Court Approval, title to all of the Purchased Assets will pass to the Purchaser and the Seller shall deliver to the Purchaser possession of all of the Purchased Assets, and shall further deliver to the Purchaser proper assignments, patent assignments, conveyances and bills of sale, substantially in the form approved by the Purchaser, sufficient to convey to the Purchaser good title to all the Purchased Assets free and clear of all Liens, as well as such other instruments of conveyance necessary or desirable to effect or evidence the transfers contemplated hereby.

**1.3 No Assumed Liabilities.** Notwithstanding anything to the contrary set forth herein, it is expressly agreed that the Purchaser is not assuming any debts, obligations or liabilities of the Seller whatsoever, whether known or unknown, actual or contingent, matured or unmatured, currently existing or arising in the future, including, but not limited to, any liabilities related to the Purchased Assets or the Business; provided, however, that the Purchaser shall assume from the Seller all executory contracts intended to be purchased hereunder as required and in accordance with 11 USC Section 365.

**1.4 Purchase Price.** As consideration for the Purchased Assets, and subject to the terms of Section 1.7 below, the Purchaser shall pay to the Seller \$1,370,000 in immediately available funds (the "Purchase Price").

**1.5 No Expansion of Third-Party Rights.** The Asset Purchase and the other transactions contemplated by this Agreement shall in no way expand the rights or remedies of any third party against the Purchaser or the Seller, as the case may be, as compared to the rights and remedies which such third party would have had against Purchaser or the Seller, as the case may be, in the absence of the Asset

Purchase and other transactions contemplated by this Agreement. Without limiting the generality of the preceding sentence, the Asset Purchase and the other transactions contemplated hereby shall not create any third-party beneficiary rights against the Purchaser or the Seller.

**1.6 Closing.** The Closing (the "Closing") of the sale and purchase of the Purchased Assets shall take place, following the Bankruptcy Court Approval, upon the later of (i) the date that the order of the Bankruptcy Court approving the sale and purchase of the Purchased Assets and the order approving assumption and assignment of the executory contracts becomes final and non-appealable or (ii) five days after receipt by Purchaser of all Estoppel Letters required under 7.2, below (the "Closing Date"), with the Closing to be effective as of the close of business on the Closing Date. Failure to consummate the transactions provided for in this Agreement on the date and time selected pursuant to this Section 1.6 shall not, except as otherwise permitted by this Agreement, result in the termination of this Agreement and shall not relieve any party to this Agreement of any obligation hereunder.

**1.7 Escrow and Release of Purchase Price.**

(a) Upon the Closing Date, the Purchaser shall deposit the Purchase Price into an escrow account designated by the legal counsel of the Seller, who shall act as the escrow agent with respect thereto (the "Escrow Agent"). The Escrow Agent shall disburse the Purchase Price in accordance with the terms of this Section 1.7.

(b) During the 90-day period immediately following the Closing Date (the "Post-Closing Period") the Seller and the Purchaser shall fully cooperate and use all commercially reasonable efforts in order to obtain the written approval or acknowledgment of St. John's County, Florida, to the transfer of the Seller's Franchise Agreement with the County to the Purchaser and the assignment by the Seller, and the assumption by the Purchaser, of all of the Seller's rights (the "SJ County Approval").

(c) Upon the receipt of the SJ County Approval during the Post-Closing Period, the Escrow Agent shall disburse the Purchase Price to the Seller for further disbursement in accordance with an order of the Bankruptcy Court.

(d) Notwithstanding anything to the contrary in this Agreement, in the event that the SJ County Approval is not obtained prior to the expiration of the Post-Closing Period (which may be extended by the Purchaser for up to an additional 60 days), then, immediately upon the expiration of the Post-Closing Period, at the sole discretion of Purchaser, Purchaser shall have the right, but not the obligation, to terminate this Asset Purchase Agreement and upon such termination the Escrow Agent shall immediately disburse the entire Purchase Price to the Purchaser and title to the Purchased Assets shall return to the Seller. If Purchaser does not exercise the right to terminate under this subsection, at the time that the Post-Closing Period expires, then Purchaser shall be deemed to have waived the requirement of SJ County Approval, and Escrow Agent shall immediately disburse the entire Purchase Price to Seller.

(e) The Seller and the Purchaser shall use all commercially reasonable efforts in good faith to cooperate in obtaining the SJ County Approval.

(f) During the Post-Closing Period, the Purchaser shall be responsible for all operating costs and shall be entitled to all of the benefits and burdens of ownership of the Purchased Assets and the Purchaser shall operate the Purchased Assets in a manner consistent with Section 4.1 of this Agreement.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

As a material inducement to the Seller to enter into this Agreement and to consummate the transactions contemplated hereby, the Purchaser hereby makes the following representations and warranties to the Seller as of the Effective Date and as of the Closing Date:

**2.1 Corporate Status.** The Purchaser is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has the requisite power and authority to own or lease its properties and to carry on its business as presently conducted.

**2.2 Corporate Power and Authority.** The Purchaser has the corporate power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby. The Purchaser has taken all corporate action necessary to authorize its execution and delivery of this Agreement, the performance of its obligations hereunder and the consummation of the transactions contemplated hereby.

**2.3 Enforceability.** This Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser, enforceable against Purchaser in accordance with its terms.

**2.4 No Commissions.** The Purchaser has not incurred any obligation for any finder's or broker's or agent's fees or commissions or similar compensation in connection with the transactions contemplated hereby.

**2.5 Ability to Close.** The Purchaser has the financial ability to pay the Purchase Price at Closing, without contingencies, or has access to sufficient capital to pay the Purchase Price, or has an unqualified commitment from a lender for an amount sufficient to pay the Purchase Price at Closing.

## ARTICLE III

### REPRESENTATIONS AND WARRANTIES OF THE SELLER

As a material inducement to Purchaser to enter into this Agreement and to consummate the transactions contemplated hereby, the Seller hereby makes the following representations and warranties to the Purchaser as of the Effective Date and as of the Closing Date:

**3.1 Corporate Status.** Subject to the Bankruptcy Code, the Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and has the requisite power and authority to own or lease its properties and to carry on its business as presently conducted.

**3.2 Corporate Power and Authority.** Upon Bankruptcy Court Approval, (a) the Seller shall have the corporate power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby, (b) the Seller shall have taken all action necessary to authorize its execution and delivery of this Agreement, the performance of its obligations hereunder and the consummation of the transactions contemplated hereby.

**3.3 Enforceability.** Upon Bankruptcy Court Approval, this Agreement will have been duly executed and delivered by the Seller and will constitute a legal, valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms.

**3.4 No Commissions.** The Seller has not incurred any obligation for any finder's or broker's or agent's fees or commissions or similar compensation in connection with the transactions contemplated hereby, except as may be paid from the Seller's portion of the sale proceeds and upon approval by the Bankruptcy Court.

**3.5 No Violation: Consents and Approvals.** Upon the entry of an order by the Bankruptcy Court approving the sale and purchase of the Purchased Assets and authorizing the Seller to execute such documents as may be required to close the sale of assets, the execution and delivery of this Agreement by the Seller, the performance by the Seller of its obligations hereunder, and the consummation by the Seller of the transactions contemplated by this Agreement will not, with or without notice or lapse of time (a) violate or conflict with any law, statute, ordinance, rule, regulation, decree, writ, injunction, judgment or order of any Governmental Authority or of any arbitration award which is either applicable to, binding upon or enforceable against the Seller or any of the Purchased Assets, (b) conflict with, result in any breach of, or constitute a default under, or give rise to a right of payment or right to terminate, amend, modify, abandon or accelerate payment under, any patents or Intellectual Property, or any Contract which is applicable to, binding upon or enforceable against the Seller, (c) result in or require the creation or imposition of any Lien upon or with respect to any of the properties or assets (including the Purchased Assets) of the Seller, (d) give to any individual or entity a right or claim against the Seller or any of the Purchased Assets, (e) except as listed on Schedule 3.5 hereto, require the consent, approval, authorization or permit of, or filing with or notification to, any Governmental Authority, any court or tribunal or any other Person, or (f) adversely impact the Purchased Assets or the Seller's ownership thereof free and clear of all Liens.

**3.6 Litigation.** Upon the entry of a order of the Bankruptcy Court approving the sale of the Purchased Assets free and clear of any Liens, there is no action, suit, or other legal or administrative proceeding or governmental investigation pending, threatened, anticipated or contemplated against, by or affecting the Seller, the Purchased Assets, or any of the Seller's other properties or assets, which questions the validity or enforceability of the transfer of the Purchased Assets as contemplated under this Agreement.

**3.7 Good Title to and Condition of Assets: Adequacy of the Assets.** Except as otherwise provided in this Agreement: the Seller (a) is the true and lawful owner of the Purchased Assets and has good title to the Purchased Assets free and clear of all Liens, (b) subject to Bankruptcy Court Approval, has the complete and unrestricted power and unqualified right to sell, assign, transfer, convey and deliver the Purchased Assets to the Purchaser without penalty or other adverse consequences, and (c) subject to Bankruptcy Court Approval, will grant the Purchaser title in the Purchased Assets free and clear of all Liens at the Closing. No Person other than the Seller owns any rights, title or interest in or to any of the Purchased Assets. Except for any assets listed on Schedule 1.1(b), the Purchased Assets include all of the assets used by the Seller in the operation of the Business.

## ARTICLE IV

### CONDUCT OF BUSINESS PENDING CLOSING

4.1 **Affirmative Covenants Pending Closing.** During the period commencing on the Effective Date and ending on the Closing Date (the "Pre-Closing Period"), the Seller shall be responsible for operating the Business and, accordingly, covenants and agrees to:

(a) conduct the Business solely in the ordinary course and consistent with past practices, including by, among other things, continuing to (i) provide customer service to consumers currently served by the Seller's fiber optic network, (ii) meet its payment and other performance obligations under all of its service provider agreements, and (iii) make all cable connections for customers which may be requested or required, within a commercially reasonable time period.

(b) maintain and service the Purchased Assets in order to preserve their value and usefulness in the conduct of the Business, normal wear and tear excepted;

(c) use commercially reasonable efforts to keep available the services of the Seller's current employees and agents and to maintain good relations and goodwill with its suppliers, customers, distributors and any others with whom or with which it has business relations;

(d) take any and all actions necessary in order to preserve all of the Seller's Contracts included in the Purchased Assets (including the Seller's Contracts with developers and homeowners' associations) in full force and effect and in good standing;

(e) comply with all laws, ordinances, rules, regulations and orders applicable to the Seller, the Business or the Purchased Assets; and

(f) use reasonable commercial efforts to conduct the Business in such a manner that on the Closing Date the representations and warranties of the Seller in this Agreement shall be true, as though such representations and warranties were made on and as of the Closing Date (except to the extent such representations or warranties expressly speak as of a specific date).

4.2 **Restrictive Covenants Pending Closing.** During the Pre-Closing Period, the Seller shall not:

(a) enter into any material agreement, contract, or other arrangement involving or related to the Seller, the Purchased Assets or the Business which would have a Material Adverse Effect, without the prior written consent of the Purchaser; or

(b) take, or refrain from taking, any action or omission which would have a Material Adverse Effect.

4.3 **Option to Purchase Litestream Capital Stock.** It is anticipated that that Seller will be liquidated pursuant to the Bankruptcy Code by the Bankruptcy Court, and Seller intends to seek return of all corporate stock or membership interests in connection with said liquidation. Following any such liquidation, if seller is able to acquire the corporate stock or membership interests, and after the Bankruptcy Court has removed all of the Seller's assets and liabilities from its books and records, the Purchaser shall have the unqualified option for a period of 90 days following such removal to purchase all of the outstanding corporate stock or membership interests of the Seller for a purchase price of \$1.

## ARTICLE V

### ADDITIONAL AGREEMENTS

**5.1 Further Assurances.** Each party shall use commercially reasonable efforts to execute and deliver such additional instruments and other documents and to take such further actions as may be necessary or appropriate to consummate the Asset Purchase and to effectuate, carry out and comply with all of the terms of this Agreement and the transactions contemplated hereby, including, but not limited to, all such further deeds, bills of sale, assignments, transfers, conveyances, consents, limited powers of attorney and assurances as may be required or appropriate to convey and transfer to and vest in the Purchaser and protect its right, title and interest in all of the Purchased Assets. Notwithstanding anything to the contrary on this Agreement, each party shall pay its own costs, fees and other expenses arising in connection with the Bankruptcy Proceedings, including any appeal thereof.

**5.2 Confidentiality.** Except as may be required by law or as otherwise permitted or expressly contemplated herein, no party hereto or their respective Affiliates, employees, agents and representatives shall disclose to any third party, the subject matter or terms of this Agreement or any confidential information or other proprietary knowledge concerning the business or affairs of the other party which it may have acquired from such party in the course of pursuing the transactions contemplated by this Agreement (except to the extent this Agreement is otherwise attached to or submitted to the Bankruptcy Court with any motion), without the prior written consent of the other party hereto; provided, that any information that is otherwise publicly available, or has been obtained from a third party, without breach of this provision, shall not be deemed confidential information.

**5.3 Purchaser Appointed Attorney for the Seller.** Except as otherwise provided in this Agreement and subject to Bankruptcy Court Approval, upon the Closing, the Seller constitutes and appoints the Purchaser, and the Purchaser's successors and assigns, its true and lawful attorney, in the name of the Seller as a nominal party only, but for the benefit and at the expense of the Purchaser (except as otherwise herein provided), to (a) institute and prosecute all proceedings which the Purchaser may deem proper in order to collect, assert or enforce any claim, right or title of any kind in or to the Purchased Assets as provided for in this Agreement, ; and (b) take all action which the Purchaser may reasonably deem proper in order to provide for Purchaser the benefits under any of the Purchased Assets where any required consent of another party to the sale or assignment thereof to the Purchaser pursuant to this Agreement shall not have been obtained. The Seller and the Purchaser acknowledge that the foregoing powers are limited in scope, but are coupled with an interest and shall be irrevocable.

**5.4 Mutual Cooperation.** The parties hereto will cooperate with each other, and will use all reasonable efforts to cause the fulfillment of the conditions to the parties' obligations hereunder and to obtain as promptly as possible all material consents, authorizations, orders or approvals from each and every third party, whether private or governmental, required in connection with the transactions contemplated by this Agreement.

**5.5 Additional Obligations of the Seller.** As an inducement for the Purchaser to enter into this Agreement, the Seller further covenants and agrees to:

(a) Within three (3) business days of the Effective Date, file (i) a motion (a "Sale Motion") pursuant to 11 USC 363 seeking Bankruptcy Court Approval of this Agreement, the sale of the Purchased Assets and the transactions contemplated herein, (ii) a motion with the Bankruptcy Court to approve auction and bid procedures for the sale of the Purchased Assets, which procedures shall provide that the Purchaser shall receive from the Seller a breakup fee of \$100,000, to be paid from the proceeds of any sale of the Purchased Assets, in the event that the Purchaser is not the successful bidder at the auction



for the Purchased Assets under the terms and conditions of this Agreement; the Seller and the Purchaser hereby agree that such breakup fee is fair and reasonable, and (iii) any other appropriate pleadings ("Assumption Pleadings") as may be required to effectuate an assumption and assignment of all executory Contracts intended to be purchased hereunder, as may be required under 11 USC Section 365. The Sale Motion shall contain a copy of the executed Agreement;

(b) Timely serve, as required by applicable law, a copy of the Sale Motion on all interested persons or other creditors of the Seller, as may be required by the United States Bankruptcy Code;

(c) Use its best efforts to secure a final, non-appealable order from the United States Bankruptcy Court approving this Agreement, the sale of the Purchased Assets and the transactions contemplated herein in form and content acceptable to the Purchaser; and

(d) Use reasonable commercial efforts such that on the Closing Date, the representations and warranties of the Seller contained in this Agreement shall be true, as though such representations and warranties were made on and as of the Closing Date (except to the extent such representations or warranties expressly speak as of a specific date).

## ARTICLE VI

### INDEMNIFICATION

**6.1 Agreement for Indemnification.** Each party hereto (an "Indemnitor") agrees to hold the other party hereto, along with each of its shareholders, directors, officers, employees, attorneys and Affiliates (collectively, the "Indemnitees") harmless from and against the aggregate of all expenses, losses, costs, deficiencies, liabilities and damages (including, without limitation, related counsel and paralegal fees and expenses) incurred or suffered by the Indemnitees arising out of or resulting from (i) any breach of a representation or warranty made by the Indemnitor in or pursuant to this Agreement, (ii) any breach of the covenants or agreements made by the Indemnitor in or pursuant to this Agreement, and (iii) any inaccuracy in any certificate, instrument or other document delivered by the Indemnitor as required by this Agreement. Notwithstanding anything to the contrary contained herein, unless the Bankruptcy Case shall be dismissed without conversion to a case under Chapter 7 of the Bankruptcy Code or confirmation of a plan under Chapter 11 of the Bankruptcy Code, the Purchaser's sole remedy under this section shall be to file a claim against the Seller in the Bankruptcy Case for damages. Any such claims for damages by the Purchaser as Indemnitee pursuant to this Section 6.1 shall be subordinate to any claims for the repayment of any debtor-in-possession financing provided by third parties to the Seller.

**6.2 Survival of Representations and Warranties.** Each of the representations, warranties and covenants made by the parties hereto shall survive the Closing or termination of this Agreement and shall remain in full force and effect until the expiration of the applicable statute of limitations (including any extension thereof). Notwithstanding any knowledge of facts determined or determinable by any party by investigation, each party shall have the right to fully rely on the representations, warranties, covenants and agreements of the other parties hereto contained in this Agreement or in any other documents or papers delivered in connection herewith. Each representation, warranty, covenant and agreement contained in this Agreement is independent of each other representation, warranty, covenant and agreement.

## ARTICLE VII

### CONDITIONS TO THE OBLIGATIONS OF THE PURCHASER.

The obligation of Purchaser to effect the transactions contemplated hereby, shall be subject to the fulfillment at or prior to the Closing Date of the following conditions, any or all of which may be waived in whole or in part by the Purchaser:

**7.1 Certificate.** the Seller shall have delivered to the Purchaser (a) copies of its Certificate of Formation as in effect immediately prior to the Closing Date, and (b) a certificate of good standing of issued by the Secretary of State of its jurisdiction of organization as of a date not more than five days prior to the Closing Date, certified in each case as of the Closing Date by its Secretary as being true, correct and complete.

**7.2 Consents.** The Seller shall have delivered to the Purchaser (a) documents evidencing (i) the transfer to the Purchaser of all of the Seller's rights with respect to its cable franchises, and (ii) the consent of all applicable Governmental Authorities to the Asset Purchase and the transactions contemplated by this Agreement, including, but not limited to all parties listed on Schedule 3.5 hereto and including the Pasco County Renewal and Approval, or an order of the Bankruptcy Court approving the same notwithstanding the absence of such consent, and (b) Estoppel Letters from all developers and homeowners' associations with which the Seller has Contracts stating that such Contracts are valid and in full force and effect as of the Closing Date; that the Purchaser's architecture for services is acceptable and complies with existing contracts; that specific "system" requirements in Joint Marketing Agreements with Developers are not mandatory as long as delivery of Services complies with terms of HOA Agreements, and the providing of telephone services is not necessary.

**7.3 Accuracy of Representations and Warranties and Compliance with Obligations.** The representations and warranties of the Seller shall be true and correct in all respects at and as of the Closing Date with the same force and effect as though made at and as of that time. The Seller shall have performed and complied with all of the obligations required by this Agreement to be performed or complied with by it at or prior to the Closing Date. The Seller shall have delivered to the Purchaser a certificate, dated as of the Closing Date, duly signed by the Chief Executive Officer of the Seller, certifying that such representations and warranties are true and correct and that all such obligations have been performed and complied with.

**7.4 Legal Prohibition.** No injunction, decree or order shall be in effect (following entry of an order of the Bankruptcy Court approving the sale and authorizing the sale and purchase of the Purchased Assets under this Agreement), prohibiting consummation of the transactions contemplated hereby or which would make the consummation of such transactions unlawful and no action, suit or proceeding shall have been instituted and remain pending before a court, governmental body or regulatory authority to restrain or prohibit the transactions contemplated by this Agreement and no adverse decision shall have been made by any such court, governmental body or regulatory authority which constitutes, or could be reasonably anticipated to constitute, a Material Adverse Change. Between the Effective Date and the Closing Date, no federal, state or local statute, rule or regulation shall have been enacted or deemed applicable by any government or governmental or administrative agency or court the effect of which would be to prohibit, restrict, impair or delay the consummation of the transactions contemplated hereby or restrict or impair the ability of the Purchaser to own the Purchased Assets.

**7.5 Bankruptcy Court Approval.** The Bankruptcy Court in the Seller's Bankruptcy Proceedings under Chapter 11 of the U.S. Bankruptcy Code shall have approved the Asset Purchase, all

of the terms and conditions of this Agreement and all of the transactions contemplated hereby (the "Bankruptcy Court Approval").

**ARTICLE VIII**  
**CONDITION TO THE OBLIGATIONS**  
**OF THE SELLER**

The obligation of the Seller to effect the transactions contemplated hereby, shall be subject to the fulfillment at or prior to the Closing Date of the following conditions, any or all of which may be waived in whole or in part by the Seller:

**8.1 Certificate.** The Purchaser shall have delivered to the Seller (a) copies of its Articles of Incorporation as in effect immediately prior to the Closing Date, (b) copies of resolutions adopted by its board of directors and shareholders authorizing the transactions contemplated by this Agreement, and (c) a certificate of good standing of issued by the Secretary of State of its jurisdiction of organization as of a date not more than five days prior to the Closing Date, certified in each case as of the Closing Date by its Secretary as being true, correct and complete.

**8.2 Accuracy of Representations and Warranties and Compliance with Obligations.** The representations and warranties of the Purchaser shall be true and correct in all respects at and as of the Closing Date with the same force and effect as though made at and as of that time. The Purchaser shall have performed and complied with all of the obligations required by this Agreement to be performed or complied with by it at or prior to the Closing Date. The Purchaser shall have delivered to the Seller a certificate, dated as of the Closing Date, duly signed, certifying that such representations and warranties are true and correct and that all such obligations have been performed and complied with.

**8.3 Legal Prohibition** No injunction, decree or order shall be in effect (following entry of an order of the Bankruptcy Court approving the sale and authorizing the sale and purchase of the Purchased Assets under this Agreement), prohibiting consummation of the transactions contemplated hereby or which would make the consummation of such transactions unlawful and no action, suit or proceeding shall have been instituted and remain pending before a court, governmental body or regulatory authority to restrain or prohibit the transactions contemplated by this Agreement and no adverse decision shall have been made by any such court, governmental body or regulatory authority which constitutes, or could be reasonably anticipated to constitute, a Material Adverse Change. Between the Effective Date and the Closing Date, no federal, state or local statute, rule or regulation shall have been enacted or deemed applicable by any government or governmental or administrative agency or court the effect of which would be to prohibit, restrict, impair or delay the consummation of the transactions contemplated hereby or restrict or impair the ability of the Purchaser to own the Purchased Assets.

**8.4 Bankruptcy Court Approval.** The Bankruptcy Court in the Seller's Bankruptcy Proceedings under Chapter 11 of the U.S. Bankruptcy Code shall have provided the Bankruptcy Court Approval.

**ARTICLE IX**  
**DEFINITIONS**

**9.1 Defined Terms.** As used herein, the following terms shall have the following meanings:

"Affiliate" shall have the meaning ascribed to it under 11 U.S.C. Section 101(2), as in effect on the date hereof.

"Bankruptcy Proceedings" shall mean the Seller's bankruptcy proceedings under Chapter 11 of the U.S. Bankruptcy Code.

"Contract" means any agreement, contract, lease, note, mortgage, indenture, loan agreement, franchise agreement, covenant, employment agreement, license, instrument, purchase and sales order, commitment, undertaking, obligation, whether written or oral, express or implied.

"GAAP" means generally accepted accounting principles in effect in the United States of America from time to time.

"Governmental Authority" means any nation or government, any state, regional, local or other political subdivision thereof, and any entity or official exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"Lien" means any mortgage, pledge, security interest, collateral assignment, preemptive or refused right, equity of any kind, encumbrance, lien or charge of any kind (including, but not limited to, any conditional sale or other title retention agreement, any lease in the nature thereof, and the filing of or agreement to give any financing statement under the Uniform Commercial Code or comparable law or any jurisdiction in connection with such mortgage, pledge, security interest, encumbrance, lien or charge).

"Material Adverse Change (or Effect)" means a change (or effect), in the Purchased Assets which change (or effect) individually or in the aggregate, is materially adverse to the Purchased Assets or the Business.

"Person" means an individual, partnership, corporation, business trust, joint stock company, estate, trust, unincorporated association, joint venture, Governmental Authority or other entity, of whatever nature.

## **9.2 Other Definitional Provisions.**

(a) All terms defined in this Agreement shall have the defined meanings when used in any certificates, reports or other documents made or delivered pursuant hereto or thereto, unless the context otherwise requires.

(b) Terms defined in the singular shall have a comparable meaning when used in the plural, and vice versa.

(c) All matters of an accounting nature in connection with this Agreement and the transactions contemplated hereby shall be determined in accordance with GAAP applied on a basis consistent with prior periods, where applicable.

(d) As used herein, the neuter gender shall also denote the masculine and feminine, and the masculine gender shall also denote the neuter and feminine, where the context so permits.

## ARTICLE X

### TERMINATION

**10.1 Termination.** This Agreement may be terminated at any time prior to the Closing:

(a) by the Purchaser, pursuant to Section 5.5 hereof;

(b) by the mutual written consent of the Seller and the Purchaser at any time prior to the Closing;

(c) by the Seller in the event of a material breach by the Purchaser of any provision of this Agreement at any time prior to the Closing (unless such breach is cured within 10 days' written notice thereof);

(d) by the Purchaser in the event of a material breach by the Seller of any provision of this Agreement at any time prior to the Closing (unless such breach is cured within 10 days' written notice thereof);

(e) automatically, in the event that the Purchaser is not the successful bidder at the auction for the Purchased Assets under the terms and conditions of this Agreement; or

(f) by the Seller or the Purchaser if the Closing shall not have occurred within 90 days of the date of this Agreement.

**10.2 Effect of Termination.** In the event of termination of this Agreement pursuant to Section 10.1, this Agreement shall forthwith become null and void and of no further force and effect and neither party hereto shall have any further obligations or liabilities to the other party hereto under the terms of this Agreement; provided, however, that nothing herein shall relieve any party from liability for the willful breach of any of its representations, warranties, covenants or agreements set forth in this Agreement.

## ARTICLE XI

### MISCELLANEOUS

**11.1 Notices.** All notices, requests, demands, claims, and other communications hereunder shall be in writing and shall be delivered by certified or registered mail (first class postage pre-paid), guaranteed overnight delivery, or facsimile transmission if such transmission is confirmed by delivery by certified or registered mail (first class postage pre-paid) or guaranteed overnight delivery, to the following addresses and facsimile numbers (or to such other addresses or facsimile numbers which such party shall designate in writing to the other party):

**if to the Seller:**

Litestream Technologies, L.L.C.  
3550 W. Waters Avenue  
Tampa, FL 33614  
Attn: Philip L. Holdbrooks  
Telephone: (813) 375-3300

Facsimile: (813) 375-3484

**with a copy to:**

Macfarlane Ferguson & McMullen  
P.O. Box 1531  
Tampa, Florida 33601  
Attn: Patrick T. Lennon, Esq.  
Phone: (813) 273-4360  
Facsimile: (813) 273-4396

**if to the Purchaser to:**

Residential Telecom, L.L.C.  
500 Australian Avenue, Suite 110  
West Palm Beach, Florida 33401-6246  
Attn: Paul Rhodes  
Telephone:  
Facsimile:

**with a copy to:**

Akerman Senterfitt  
One Southeast Third Avenue  
28th Floor  
Miami, Florida 33131  
Attn: Stephen K. Rodenberry  
Phone: (305) 374-5600  
Facsimile Number: (305) 374-5095

**11.2 Entire Agreement.** This Agreement (including the Schedules attached hereto) and other documents delivered concurrently herewith, contains the entire understanding of the parties in respect of its subject matter and supersedes all prior agreements and understandings (oral or written) between or among the parties with respect to such subject matter. The Schedules constitute a part hereof as though set forth in full above.

**11.3 Expenses: Sales Tax.** Except as otherwise provided herein, the parties shall pay their own fees and expenses, including their own counsel fees, incurred in connection with this Agreement or any transaction contemplated hereby. The parties agree that the Seller shall pay all sales, transfer and other taxes associated with the transfer of the Purchased Assets to the Purchaser, except as such transfer may be deemed exempt under 11 U.S.C. Section 1146(c).

**11.4 Amendment; Waiver.** This Agreement may not be modified, amended, supplemented, canceled or discharged, except by written instrument executed by all parties. No failure to exercise, and no delay in exercising, any right, power or privilege under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right, power or privilege hereunder preclude the exercise of any other right, power or privilege. No waiver of any breach of any provision shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision, nor shall any waiver be implied from any course of dealing between the parties. No extension of time for performance of any obligations or other acts hereunder or under any other agreement shall be deemed to be an extension of the time for performance of any other obligations or any other acts. The rights and remedies of the parties under this

Agreement are in addition to all other rights and remedies, at law or equity, that they may have against each other.

**11.5 Binding Effect: Assignment.** The rights and obligations of this Agreement shall bind and inure to the benefit of the parties and their respective successors and assigns. Nothing expressed or implied herein shall be construed to give any other person any legal or equitable rights hereunder. Except as expressly provided herein, the rights and obligations of this Agreement may not be assigned or delegated by any party without the prior written consent of all of the other parties hereto; provided, however, that the Purchaser may assign all of its rights and obligations under this Agreement to an Affiliate of the Purchaser and, thereafter, the Purchaser shall have no further liabilities or obligations hereunder.

**11.6 Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered via electronic facsimile transmission with the same force and effect as if it were executed and delivered by the parties simultaneously in the presence of one another.

**11.7 Interpretation.** When a reference is made in this Agreement to an article, section, paragraph, clause, schedule or exhibit, such reference shall be deemed to be to this Agreement unless otherwise indicated. The headings contained herein and on the schedules are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement or the schedules. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation." Time shall be of the essence in this Agreement.

**11.8 Governing Law.** This Agreement shall be construed in accordance with and governed for all purposes by the laws of the State of Florida applicable to contracts executed and to be wholly performed within such State, without regard to conflict of laws principles.

**11.9 Jurisdiction.** Any suit, action or proceeding arising out of, or with respect to, this Agreement or any judgment entered by any court in respect thereof, may be brought in the Bankruptcy Court for the Middle District of Florida, and each party hereto hereby irrevocably accepts and consents to the nonexclusive personal jurisdiction of those courts for the purpose of any suit, action or proceeding.

**11.10 Arm's Length Negotiations.** Each party herein expressly represents and warrants to all other parties hereto that (a) before executing this Agreement, said party has fully informed itself of the terms, contents, conditions and effects of this Agreement; (b) said party has relied solely and completely upon its own judgment in executing this Agreement; (c) said party has had the opportunity to seek and has obtained the advice of counsel before executing this Agreement; (d) said party has acted voluntarily and of its own free will in executing this Agreement; (e) said party is not acting under duress, whether economic or physical, in executing this Agreement; and (f) this Agreement is the result of arm's length negotiations conducted by and among the parties and their respective counsel.

**11.11 Severability.** In the event that any one or more of the provisions contained in this Agreement or in any other instrument referred to herein, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, then to the maximum extent permitted by law, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other such instrument.

**11.12 Ancillary Agreements.** Except as otherwise expressly provided herein, to the extent any agreement ancillary to this Agreement contains any representation or warranty that provides for different

or conflicting rights, duties or obligations from those representations and warranties contained herein, the provisions of this Agreement will control.

**11.13 Announcements.** All press releases, notices to customers and suppliers and other announcements with respect to this Agreement and the transactions contemplated by this Agreement shall be approved by the Seller and the Purchaser prior to the issuance thereof; provided, that a party may make any public disclosure it believes in good faith is required by law or regulation, in which case the disclosing party will advise the other party prior to making such disclosure and provide the other party a reasonable opportunity to review the proposed disclosure.

**11.14 Bulk Sales Laws.** The parties hereto hereby waive compliance with the provisions of any applicable bulk sales laws, including Article 6 of the Uniform Commercial Code as it may be in effect in any applicable jurisdiction.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the day and year first above written.

**LITESTREAM TECHNOLOGIES, L.L.C.**  
a Florida limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**RESIDENTIAL TELECOM, L.L.C.**  
a Florida corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_




or conflicting right, duty or obligation from those representations and warranties contained herein, the provisions of this Agreement will control.

11.13 Announcements. All press releases, notices to customers and suppliers and other announcements with respect to this Agreement and the transactions contemplated by this Agreement shall be approved by the Seller and the Purchaser prior to the issuance thereof, provided, that a party may make any public disclosure it believes in good faith is required by law or regulation, in which case the disclosing party will advise the other party prior to making such disclosure and provide the other party a reasonable opportunity to review the proposed disclosure.


11.14 Bulk Sales Laws. The parties hereto hereby waive compliance with the provisions of any applicable bulk sales laws, including Article 6 of the Uniform Commercial Code as it may be in effect in any applicable jurisdiction.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the day and year first above written.

LITESTREAM TECHNOLOGIES, L.L.C.  
a Florida limited liability company

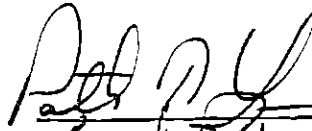
By:   
Name: DAVID L. HOOPER RHODES  
Title: CEO

RESIDENTIAL TELECOM, L.L.C.  
a Florida corporation

By:   
Name: Paul Rhodes  
Title: Managing Member

Solely for the purposes of Section 1.7 hereof.

**MACFARLANE FERGUSON & MCMULLEN, P.A.**  
as Escrow Agent

By:   
Name: Patrick T. MacFarlane  
Title: Att'y

**Schedule 1.1(a) Residential Telecom, LLC**

Bell South	Purchaser	Provision of Telecommunications Services
New South	Purchaser	Provision of Telecommunications Services
4Com	Purchaser	Provision of Cable TV Content
A&E Network	Purchaser	Provision of Cable TV Content
ABC Cable Network Group	Purchaser	Provision of Cable TV Content
American Movie Classics	Purchaser	Provision of Cable TV Content
Animal Planet	Purchaser	Provision of Cable TV Content
Black Entertainment Television	Purchaser	Provision of Cable TV Content
Bravo	Purchaser	Provision of Cable TV Content
Cable News Network	Purchaser	Provision of Cable TV Content
Cartoon Network	Purchaser	Provision of Cable TV Content
Cinemax	Purchaser	Provision of Cable TV Content
CNBC	Purchaser	Provision of Cable TV Content
Comedy Central	Purchaser	Provision of Cable TV Content
Court TV	Purchaser	Provision of Cable TV Content
C-Span & C-Span 2	Purchaser	Provision of Cable TV Content
Disney Channel	Purchaser	Provision of Cable TV Content
DMX Music	Purchaser	Provision of Cable TV Content
E!	Purchaser	Provision of Cable TV Content
Encore	Purchaser	Provision of Cable TV Content
ESPN	Purchaser	Provision of Cable TV Content
EWTV	Purchaser	Provision of Cable TV Content
Food Network	Purchaser	Provision of Cable TV Content
Fox Cable Networks	Purchaser	Provision of Cable TV Content
Fox Family Channel	Purchaser	Provision of Cable TV Content
Fox News Channel	Purchaser	Provision of Cable TV Content
Fox Sports World	Purchaser	Provision of Cable TV Content
FX	Purchaser	Provision of Cable TV Content
Golf Channel	Purchaser	Provision of Cable TV Content
Great American Country	Purchaser	Provision of Cable TV Content
HBO	Purchaser	Provision of Cable TV Content
Headline News	Purchaser	Provision of Cable TV Content
History Channel	Purchaser	Provision of Cable TV Content
Home & Garden Television	Purchaser	Provision of Cable TV Content
Home Shopping Network	Purchaser	Provision of Cable TV Content
Learning Channel	Purchaser	Provision of Cable TV Content
Movie Plex	Purchaser	Provision of Cable TV Content
MSNBC	Purchaser	Provision of Cable TV Content
MTV Music Television	Purchaser	Provision of Cable TV Content
MTV Networks	Purchaser	Provision of Cable TV Content
NCTC	Purchaser	Provision of Cable TV Content
Muchmusic	Purchaser	Provision of Cable TV Content
Nickelodeon	Purchaser	Provision of Cable TV Content

Outdoor Life Network	Purchaser	Provision of Cable TV Content
Playboy TV Networks	Purchaser	Provision of Cable TV Content
Sci-Fi Channel	Purchaser	Provision of Cable TV Content
Showtime	Purchaser	Provision of Cable TV Content
Speedvision Network	Purchaser	Provision of Cable TV Content
Starz	Purchaser	Provision of Cable TV Content
Sunshine Network	Purchaser	Provision of Cable TV Content
TBS Superstation	Purchaser	Provision of Cable TV Content
Travel Channel	Purchaser	Provision of Cable TV Content
Trio	Purchaser	Provision of Cable TV Content
Turner Classic Movies	Purchaser	Provision of Cable TV Content
Turner Network Television	Purchaser	Provision of Cable TV Content
TV Land	Purchaser	Provision of Cable TV Content
VH1	Purchaser	Provision of Cable TV Content
Weather Channel	Purchaser	Provision of Cable TV Content
Women's Entertainment	Purchaser	Provision of Cable TV Content
St. Joe Residential Acquisitions, Inc.	Seller	Agreements with Developers for provision of Services
Marshall Creek, Ltd.	Seller	Agreements with Developers for provision of Services
D. R. Horton Inc.	Seller	Agreements with Developers for provision of Services
Stonehurst Plantation, Inc.	Seller	Agreements with Developers for provision of Services
Oaks Housing Partners, Ltd.	Seller	Agreements with Developers for provision of Services
Johns Creek, LLC	Seller	Agreements with Developers for provision of Services
St. Johns Forest, LLC	Seller	Agreements with Developers for provision of Services
GE Capital	Purchaser	Leased Telephone Switch
Florida East Coast Railway	Purchaser	Railroad Crossing Agreement
TECO Partners	Purchaser	Sales & Marketing Services

**Litestream Technologies, LLC  
Equipment Inventory - St. Johns**

Passive Devices Inc.	Channel Modulator	3	PDI 60CM	CM00300809321
Passive Devices Inc.	Channel Modulator	11	PDI 60CM	
Passive Devices Inc.	Channel Modulator	14	PDI 60CM	CM01400805896
Passive Devices Inc.	Channel Modulator	15	PDI 60CM	CM01500808599
Passive Devices Inc.	Channel Modulator	16	PDI 60CM	CM01600807659
Passive Devices Inc.	Channel Modulator	17	PDI 60CM	CM01700809393
Passive Devices Inc.	Channel Modulator	18	PDI 60CM	CM01800809397
Passive Devices Inc.	Channel Modulator	19	PDI 60CM	CM01900809401
Passive Devices Inc.	Channel Modulator	20	PDI 60CM	CM02000809404
Passive Devices Inc.	Channel Modulator	21	PDI 60CM	CM0210134328
Passive Devices Inc.	Channel Modulator	22	PDI 60CM	CM022809359

{M2109855;1}

Passive Devices Inc.	Channel Modulator	23	PDI 60CM	CM02300809301
Passive Devices Inc.	Channel Modulator	24	PDI 60CM	CM024804745
Passive Devices Inc.	Channel Modulator	26	PDI 60CM	CM02600804741
Passive Devices Inc.	Channel Modulator	27	PDI 60CM	CM027804764
Passive Devices Inc.	Channel Modulator	30	PDI 60CM	CM03000805529
Passive Devices Inc.	Channel Modulator	31	PDI 60CM	CM03100800155
Passive Devices Inc.	Channel Modulator	32	PDI 60CM	CM03200804819
Passive Devices Inc.	Channel Modulator	33	PDI 60CM	CM03300805554
Passive Devices Inc.	Channel Modulator	34	PDI 60CM	CM034804839
Passive Devices Inc.	Channel Modulator	35	PDI 60CM	CM035804859
Passive Devices Inc.	Channel Modulator	36	PDI 60CM	CM036804860
Passive Devices Inc.	Channel Modulator	37	PDI 60CM	CM037804874
Passive Devices Inc.	Channel Modulator	38	PDI 60CM	CM038804884
Passive Devices Inc.	Channel Modulator	39	PDI 60CM	CM03900800194
Passive Devices Inc.	Channel Modulator	40	PDI 60CM	CM040804915
Passive Devices Inc.	Channel Modulator	41	PDI 60CM	CM041000805616
Passive Devices Inc.	Channel Modulator	42	PDI 60CM	CM042008044933
Passive Devices Inc.	Channel Modulator	43	PDI 60CM	CM04300805631
Passive Devices Inc.	Channel Modulator	44	PDI 60CM	CM04400800211
Passive Devices Inc.	Channel Modulator	45	PDI 60CM	CM045804927
Passive Devices Inc.	Channel Modulator	46	PDI 60CM	CM046805630
Passive Devices Inc.	Channel Modulator	47	PDI 60CM	CM047845632
Passive Devices Inc.	Channel Modulator	48	PDI 60CM	CM048804766
Passive Devices Inc.	Channel Modulator	49	PDI 60CM	CM049805672
Passive Devices Inc.	Channel Modulator	50	PDI 60CM	CM05000805035
Passive Devices Inc.	Channel Modulator	51	PDI 60CM	CM051809379
Passive Devices Inc.	Channel Modulator	52	PDI 60CM	CM052809162
Passive Devices Inc.	Channel Modulator	54	PDI 60CM	CM054809155
Passive Devices Inc.	Channel Modulator	55	PDI 60CM	CM055809415
Passive Devices Inc.	Channel Modulator	57	PDI 60CM	CM05700809416
Passive Devices Inc.	Channel Modulator	58	PDI 60CM	CM05800809390
Passive Devices Inc.	Channel Modulator	66	PDI 60CM	CM06600809449
Passive Devices Inc.	Channel Modulator	67	PDI 60CM	CM067809059
Passive Devices Inc.	Channel Modulator	68	PDI 60CM	CM06800809126
Passive Devices Inc.	Channel Modulator	70	PDI 60CM	CM07000809047
Passive Devices Inc.	Channel Modulator	71	PDI 60CM	CM07100809469
Passive Devices Inc.	Channel Modulator	72	PDI 60CM	CM07200809040
Passive Devices Inc.	Channel Modulator	73	PDI 60CM	CM073809217
Passive Devices Inc.	Channel Modulator	74	PDI 60CM	CM07400011427
Passive Devices Inc.	Channel Modulator	75	PDI 60CM	CM0750809484
Passive Devices Inc.	Channel Modulator	76	PDI 60CM	CM07600809035
Passive Devices Inc.	Channel Modulator	77	PDI 60CM	CM07700808661
Passive Devices Inc.	Channel Modulator	56	PDI 60CMS STEREO	CM05600809
Passive Devices Inc.	Channel Modulator	59	PDI 60CMS STEREO	CM05900809422
Passive Devices Inc.	Channel Modulator	60	PDI 60CMS STEREO	CM06000809424
Passive Devices Inc.	Channel Modulator	61	PDI 60CMS STEREO	CM06100809429

Passive Devices Inc. Agile Fixed Modulator 4 PDI 60 AFP FPP015704165  
{M2109855;1}

Passive Devices Inc.	Agile Fixed Modulator	5	PDI 60 AFP	FPP005917002
Passive Devices Inc.	Agile Fixed Modulator	6	PDI 60 AFP	FP6919012
Passive Devices Inc.	Agile Fixed Modulator	7	PDI 60 AFP	FPP07917023
Passive Devices Inc.	Agile Fixed Modulator	9	PDI 60 AFP	FPP09919025
Passive Devices Inc.	Agile Fixed Modulator	10	PDI 60 AFP	FPP10919030
Passive Devices Inc.	Agile Fixed Modulator	12	PDI 60 AFP	FPP012919033
Passive Devices Inc.	Agile Fixed Modulator	13	PDI 60 AFP	FPP013919035
Passive Devices Inc.	Agile Fixed Modulator	15	PDI 60 AFP	FPP004704140
Passive Devices Inc.	Agile Fixed Modulator	25	PDI 60 AFP	FPP025919036

Passive Devices Inc.	Passive Combiner		PDI-HC12	HEC12 104131
Passive Devices Inc.	Passive Combiner		PDI-HC12	HEC12 104133
Passive Devices Inc.	Passive Combiner		PDI-HC12	HEC12 104135
Passive Devices Inc.	Passive Combiner		PDI-HC12	HEC12 104136
Passive Devices Inc.	Passive Combiner		PDI-HC12	HEC12 104137
Passive Devices Inc.	Passive Combiner		PDI-HC12	HEC12 104138
Passive Devices Inc.	Passive Combiner		PDI-HC12	HEC12 104139
Passive Devices Inc.	Passive Combiner		PDI-HC12	HEC12 104140

Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203342423
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203342570
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344707
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203342466
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344757
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344700
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344703
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344732
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344625
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344677
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344746
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203345032
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344721
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344767
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344713
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344712
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344475
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344750
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344624
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344760
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344634
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344663
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344666
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203345026
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344706
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344633
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344633
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344761
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203345012
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344725

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Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344727
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344734
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203345007
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344740
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344635
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344645
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344752
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203340161
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344667
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344644
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203345022
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203345034
General Instruments	Digital Receiver	DSR 4400X	0398441235000298
General Instruments	Digital Receiver	DSR 4500X	0484441260001976
General Instruments	Digital Receiver	DSR 4500X	0484441260001525
General Instruments	Digital Receiver	DSR 4500X	0484441260001433
General Instruments	Digital Receiver	DSR 4500X	0484441280001490
General Instruments	Digital Receiver	DSR 4500X	0484441260001914
General Instruments	Digital Receiver	DSR 4500X	0484441128001476
General Instruments	Digital Receiver	DSR 4500	D45017220
General Instruments	Digital Receiver	DSR 4500	D45018788
General Instruments	Digital Receiver	DSR 4500	D45018222
General Instruments	Digital Receiver	DSR 4500	D45015430
General Instruments	Digital Receiver	DSR 4500	D45019928
General Instruments	Digital Receiver	DSR 777	D45027584
Scientific Atlantic	Digital Receiver	Power Vu D9223	23327573
Scientific Atlantic	Digital Receiver	Power Vu D9223	23327405
Scientific Atlantic	Digital Receiver	Power Vu D9230	23560710
Wegener Communications	Digital Receiver	Unity 4000	061461
Wegener Communications	Digital Receiver	Unity 4000	243198
Weather Star Jr.	Weather Channel Receiver		207017
Weather Star Jr.	Weather Channel Receiver	Weather Alert	2053
TV Guide	Processor		

### Hits Equipment

General Instruments	HITS Digital Receiver	1	IRT 1000	23533415
General Instruments	HITS Digital Receiver	2	IRT 1000	23177415

{M2109855;1}

General Instruments	HITS Digital Receiver	3	IRT 1000	23532415
General Instruments	HITS Digital Receiver	5	IRT 1000	23454415
General Instruments	HITS Digital Receiver	9	IRT 1000	23282415
General Instruments	HITS Digital Receiver	11	IRT 1000	23441415
General Instruments	HITS Digital Receiver	Ind 2	IRT 1000	23293415
General Instruments	HITS Digital Receiver		OM 1000	DIM 0007236416
General Instruments	HITS Digital Receiver		C8U H	J1D 7000106760
General Instruments	HITS Digital Receiver		C8U H	J1D 7000107760
General Instruments	HITS Digital Receiver		C8U H	J1D 7000108760
General Instruments	HITS Digital Receiver		C8U H	J1L 7000255760
General Instruments	HITS Digital Receiver		C8U H	J1L 7000254760
General Instruments	HITS Digital Receiver		C8U H	J1L7000253760
<b>MOTOROLA</b>	HITS Digital Receiver		HMS	HMS US01011424

**Ethernet Equipment**

Cisco	Router	Catalyst 2950	FAB 0603P34L
Cisco	Router	Catalyst 2950	FAB 0551WDSL
Spectrum	Server	Server	C08000A1220439
Spectrum	Server	Server	C08000A1220302
Compaq	Monitor	Monitor	143BK43BP364
Key Board	Key Board	<b>MICROSOFT</b>	5167707925403
TIARA	Switch	Networks 1400	1400MISD2110016

**MARCONI COT**

5000578001

Phillips Diamond Link	Lazer	1550 nm Optical tx	610937080985
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MARCONI		XTD SHELF	SNMHCE0BRB
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ALPHA UPS	UPS Power Supply	1400 SXL PLUS	020104235
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<b>TAQUA SWITCH</b>	Phone Switch		
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<b>PINNACLE VOICE MAIL</b>	Voice Mail Server		
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Equipment Inventory - Palencia

**OSI FIBER DRIVE**  
EDFA

**ETHERNET**  
CISCO ROUTER  
MARCONI ETHERNET SWITCH

**BATTERY RACK AND BATTERIES**



UPS

Building:

Building and all appurtenances thereto located at St. John's Golf and Country Club, St. John's County, Florida

Cable:

Fiber Optic Distribution Cable with appropriate connections and equipment  
241010-Cable-St. Johns Creek  
24104-Cable-Palencia  
24105-Cable-St. Johns  
24106-Cable-Wingfield Glen  
24108-Cable-Stonehurst  
24109-Cable-The Oaks

Plant Under Construction:

2001410-PUC-Cable-St. Johns Creek  
200144-PUC-Cable-Palencia  
200145-PUC-Cable-St. Johns  
200146-PUC-Cable-Wingfield Glen  
200148-PUC-Cable-Stonehurst  
200149-PUC-Cable-The Oaks  
20014-PUC-Cable-Other

Tools-Central Office  
Tools-St. Johns  
Equipment-Other

Central Office

Laptop Computers (11)-Various makes and models  
Desktop Computers (5)-Various makes and models  
Fax Machines (2)-Brother Model 9700; Brother Model 2800  
Printers: (5)-HP Model 4100, HP Model 890c; HP Model 950c; Epson C62; HP Model 4050

Cnt	VIN	Make	Model	Year	Color	Owner
2	1FTZX1721YNA30025	Ford	F 150	2000	White	Owned

7	1FMZU73W22UA33156	Ford	Explorer	2002	White	Owned
9	1J4FT48S41L581091	Jeep	Cherokee	2001	White	Owned

<b>Contract</b>	<b>Type of Contract</b>	<b>Contract Date</b>	<b>Owed Pre-Petition</b>	<b>Owed Post-Petition</b>
A&E Network c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-01-01	0	0
American Movie Classics c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Animal Planet c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-01-01	0	0
Black Entertainment Television c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Bravo c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Cartoon Network c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Cinemax & HBO c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-01-01	0	0
CNBC c/o NCTC	Cable TV Content	11-16-01	0	0

11200 Corporate Ave.  
Lenexa, KS 60219-1392

Cable News Network  
c/o NCTC  
11200 Corporate Ave.  
Lenexa, KS 60219-1392

Comedy Central  
c/o NCTC  
11200 Corporate Ave.  
Lenexa, KS 60219-1392

Court TV  
c/o NCTC  
11200 Corporate Ave.  
Lenexa, KS 60219-1392

C-Span & C-Span 2  
c/o NCTC  
11200 Corporate Ave.  
Lenexa, KS 60219-1392

Disney Channel  
c/o NCTC  
11200 Corporate Ave.  
Lenexa, KS 60219-1392

DMX Music  
c/o NCTC  
11200 Corporate Ave.  
Lenexa, KS 60219-1392

E!  
c/o NCTC  
11200 Corporate Ave.  
Lenexa, KS 60219-1392

Encore  
c/o NCTC  
11200 Corporate Ave.  
Lenexa, KS 60219-1392

ESPN  
c/o NCTC

Cable TV Content 11-16-01 0 0

Cable TV Content 11-16-01 0 0

Cable TV Content 11-16-01 0 0

Cable TV Content 03-14-01 0 0

Cable TV Content 11-16-01 0 0

Cable TV Content 11-16-01 0 0

Cable TV Content 11-16-01 0 0

Cable TV Content 11-16-01 0 0

Cable TV Content 11-16-01 0 0

11200 Corporate Ave.  
Lenexa, KS 60219-1392

EWTN c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Food Network c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-01-01	0	0
Fox Family Channel c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Fox Cable Networks c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Fox News Channel c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Fox Sports World c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
FX c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Great American Country c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Golf Channel	Cable TV Content	11-16-01	0	0

{M2109855;1}

c/o NCTC  
11200 Corporate Ave.  
Lenexa, KS 60219-1392

Headline News c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	04-15-94	0	0
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History Channel c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
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Home & Garden Television c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
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Home Shopping Network c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
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Learning Channel c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
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Movie Plex c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
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MSNBC c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
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MTV Networks c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	12-31-03	0	0
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MTV Music Television c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Muchmusic c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Nickelodeon c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Outdoor Life Network c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Playboy TV Networks 9242 Beverly Blvd. Beverly, Hills, CA 90210	Cable TV Content	07-01-01	0	0
Sci-Fi Channel c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Showtime c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content		0	0
ABC Cable Network Group c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	02-01-02	0	0
Speedvision Network c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0

Starz c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Sunshine Network 10000 Santa Monica Blvd Los Angeles, CA 90067	Cable TV Content	11-16-01	3,974.00	0
TBS Superstation c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Turner Classic Movies c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Turner Network Television c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Travel Channel c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Trio c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
TV Land c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	03-19-02	0	0
4Com 1660 S. Hwy 100, Suite 590 Minneapolis, MN 55416-1534	Cable TV Content	10-08-01	127.79	0

IN Demand, LLC 345 Hudson St. New York, NY 10014	Cable TV Content	11-01-03	500.00	0
VH1 c/o NCTC P.O. Box 414826 Kansas City, MO 64141	Cable TV Content	11-16-01	0	0
Weather Channel c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Lifetime 309 W. 49 <sup>th</sup> Street New York, NY 10019	Cable TV Content Lifetime Network	05-22-02	421.05	0
Lifetime 309 W. 49 <sup>th</sup> Street New York, NY 10019	Cable TV Content Lifetime Movie Net	05-22-02	0	0
USA Cable 1230 Avenue of the Americas New York, NY 10020	Cable TV Content	09-17-02	343.94	0
Sportschannel Florida 200 Jericho Quadrangle Jericho, NY 11753	Cable TV Content	10-01-01	1,509.24	0
TV Guide Channel Department 532 Tulsa, OK 74182	Cable TV Content	09-01-2002	1,390.20	0
TV Guide Digital Department 532 Tulsa, OK 74182	Cable TV Content	09-01-2002	657.40	0
Women's Entertainment c/o NCTC 11200 Corporate Ave. {M2109855;1}	Cable TV Content	11-16-01	0	0



Lenexa, KS 60219-1392

NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	06-23-02	0	0
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Atlantic.Net 2815 NW 13 <sup>th</sup> St., Suite 201 Gainesville, FL 32609	COLO	03-06-03	0	0
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New South	PRI's
Bell South	Interconnect
St Joe Residential Acquisitions	Joint Marketing
St. Johns Golf & Country Club	Installation & Service
Marshall Creek, Ltd	Joint Marketing
Palencia Property Owners Assoc.	Installation & Service
D.R. Horton, Inc.	Installation & Service
Stonehurst Plantation, Inc	Installation & Service
Stonehurst Plantation, Inc	Preferred Provider
The Oaks Housing Partners	Installation & Service
Johns Creek, Ltd	Installation & Service
Hutson Companies, LLC	Preferred Provider
St Johns Forest, LLC	Joint Marketing
St Johns Forest	Installation & Service
Taylor Woodrow Communities	Co-op Advertising
Florida East Coast RR	Railroad Crossings
TECO Partners	Marketing Services

Cable Franchise issued by Board of County Commissioners for St. Johns County, Florida dated February 26, 2002 as subsequently renewed or amended.

Telecommunications rights, under Certificate #TX681 (Competitive Local Exchange Company) and #TX681 (Interexchange Company), as issued by the Public Service Commission for the State of Florida, and subject to the provisions of the tariff on file with the Public Service Commission.

Federal Communications Commission Registration Number 0006738447

**Schedule 1.1(b)  
Residential Telecom,  
LLC**

**Excluded Assets**

**Excluded Contracts:**

Dadeland Center, Ltd.	Lease	Leased Office Space
Jennifer Barnett	Contract	Sales & Marketing Services
Taqua	Purchase Contract	Phone Switch
Atlantic Net Verizon		
Pitney Bowes Credit Corp	Equipment Lease	
GE Fleet Services	Leased Vehicles	
Ford Credit	Vehicle Lease	
Copier (1)- Toshiba Model 4560	Equipment lease	
Tampa Electric		

Franchise issued by Board of County Commissioners for Pasco County, Florida dated January 27, 2004 as frequently renewed or amended.

Meadow Pointe General Partnership  
New River Partners, Ltd.  
Byrd Corporation  
JSI  
GE Capital  
Mid American Computing Corp.

Meadow Pointe General Partnership C/o Devco Development 509 Guisando De Avila, #100 Tampa, FL 33613	Joint Marketing	05-28-02
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Meadow Pointe III Homeowners Association C/o Devco Development	Installation & Service	05-28-02
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509 Guisando De Avila, #100  
Tampa, FL 33613

New River Partners, Ltd Joint Marketing 05-28-03  
C/o Avalon Associates  
13001 Founders Square Dr.  
Orlando, FL 32828

New River Homeowners Assoc Installation & Service 05-28-03  
C/o Avalon Associates  
13001 Founders Square Dr.  
Orlando, FL 32828

Byrd Corporation Joint Marketing 01-20-03  
428 Knights Run  
Tampa, FL 33602

Northwood Homeowners Assoc. Installation & Service 01-20-03  
428 Knights Run  
Tampa, FL 33602

**Excluded Personal Property:**

Promissory Note of \$7,500,000.00 delivered by American Capital Corporation

All claims and causes of action under the Bankruptcy Code, or existing against American Capital Corporation, or rights of indemnity against any person, corporation or entity arising out of the foregoing.

Telephone Switch, manufactured by Taqua, as follows:

Taqua Switch	Model #	Quantity
<u>Hardware Components</u>		
Common Equipment Set	OXC-CHA	1
OCX/OM Support Kit (Ethernet Switch & Term Server)	OCX-OSK	1
TIC-T1 Trunk Interface Card	OCX-TIC	2
TIC-T1 Trunk I/O Card	OCX-TII	2
TIC-T1 Trunk Interface Card (Protection)	OCX-TIC	1
TIC-T1 Trunk Sub Card (Protection)	OCX-TIS	1
<u>Software Components</u>		
OCX Base Software Load- 1.5	OCX-BSW	1
SS7 - MTP 1, 2, &3, ISUP	OCX-SS7	1
SS7 - TCAP/SCCP	OCX-TCP	1
End Office Package	OCX-EOP	1
PRI (Spans 1-60)	OCX-PRI	1
GR-303 (Spans 1-20)	OCX-GR3	1
CALEA	OCX-CALEA	1

Services Components

OCX-Engineering & Install	OCX-INST-EFI	1
OCX Alarm Installation Kit	OCX-INS-ALM-100	1
OCX Support Installation Kit	OCX-INS-OSK	1
OCX Open Manager Installation Kit	OCX-INS-OMS	1
OCX Fuse Panel Power Kit	OCX-INS-PWR	1
OCX TIC/TII Installation Kit	OCX-INS-TII-100	2

Spare Components

Spare TIC Card	OCX-TIC	1
Spare TII card	OCX-TII	1
Spare TIS Card	OCX-TIS	1
OCX Common Spare Kit	OCX-SPR	1

**Equipment Inventory - CATV - Pasco**

<b>Manufacture</b>	<b>Description</b>	<b>Equipment/ model #</b>	<b>Serial #</b>
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203044546
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344435
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344466
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344467
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344476
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344542
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344546
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344552
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344621

Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344626
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344627
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344637
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344670
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344671
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344674
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344675
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344676
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344702
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344724
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344730
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344731
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344747
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344756
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344762
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344765
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344766
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203345001
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203345005
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203345010
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203345015
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203345027
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203345037
Passive Devices Inc.	Agile Fixed Modulator	PDI 60AFP Agile Fixed Modulator Ch 2	
Passive Devices Inc.	Agile Fixed Modulator	PDI 60AFP Agile Fixed Modulator Ch 4	
Passive Devices Inc.	Agile Fixed Modulator	PDI 60AFP Agile Fixed Modulator Ch 5	
Passive Devices Inc.	Agile Fixed Modulator	PDI 60AFP Agile Fixed Modulator Ch 6	
Passive Devices Inc.	Agile Fixed Modulator	PDI 60AFP Agile Fixed Modulator Ch 7	
Passive Devices Inc.	Agile Fixed Modulator	PDI 60AFP Agile Fixed Modulator Ch 8	
Passive Devices Inc.	Agile Fixed Modulator	PDI 60AFP Agile Fixed Modulator Ch 9	
Passive Devices Inc.	Agile Fixed Modulator	PDI 60AFP Agile Fixed Modulator Ch 10	
Passive Devices Inc.	Agile Fixed Modulator	PDI 60AFP Agile Fixed Modulator Ch 11	
Passive Devices Inc.	Agile Processor	PDI 60AP 550mhz Agile Processor	
Passive Devices Inc.	Agile Processor	PDI 60AP 550mhz Agile Processor	
Passive Devices Inc.	Agile Processor	PDI 60AP 550mhz Agile Processor	
Passive Devices Inc.	Agile Processor	PDI 60AP 550mhz Agile Processor	
Passive Devices Inc.	Agile Processor	PDI 60AP 550mhz Agile Processor	
Passive Devices Inc.	Agile Processor	PDI 60AP 550mhz Agile Processor	
Passive Devices Inc.	Agile Processor	PDI 60AP 550mhz Agile Processor	
Passive Devices Inc.	Passive Combiner	PDI HC12 12Ch Passive Combiner	
Passive Devices Inc.	Passive Combiner	PDI HC12 12Ch Passive Combiner	
Passive Devices Inc.	Passive Combiner	PDI HC12 12Ch Passive Combiner	
Passive Devices Inc.	Passive Combiner	PDI HC12 12Ch Passive Combiner	
Passive Devices Inc.	Passive Combiner	PDI HC12 12Ch Passive Combiner	
Passive Devices Inc.	Passive Combiner	PDI HC12 12Ch Passive Combiner	
Passive Devices Inc.	Passive Combiner	PDI HC12 12Ch Passive Combiner	
Passive Devices Inc.	Channel Modulator	PDI 60CMS Fixed Channel Modulator Stereo	
Passive Devices Inc.	Channel Modulator	PDI 60CMS Fixed Channel Modulator Stereo	
Passive Devices Inc.	Channel Modulator	PDI 60CMS Fixed Channel Modulator Stereo	
Passive Devices Inc.	Filtered Modulator	PDI Mighty Mod Plus Saw Filtered Modulator	



Litestream Technologies, LLC  
Equipment Inventory  
PHONE & FIBER - Pasco

**MARCONI COT**

**TAQUA SWITCH**

**PINNACLE VOICE MAIL**

**MARCONI**

**XTD SHELF**

**ALPHA UPS**

**1400 SXL PLUS**

**OSI FIBER DRIVE**

**EDFA**

Cable:

Fiber Optic Distribution Cable with appropriate connections and equipment

24102-Cable-Meadow Pointe

24103-Cable-New River

Plant Under Construction:

200142-PUC-Cable-Meadow

Point

200143-PUC-Cable-New River

Tools-Pasco

## ASSIGNMENT OF ASSET PURCHASE AGREEMENT

This Assignment of Purchase Agreement (the "Assignment") is entered into as of May, 2004 between **Residential Telecom, LLC** ("Assignor") and **Litestream Holdings, LLC** ("Assignee").

### RECITALS

- A. Assignor entered into that certain Asset Purchase Agreement dated as of May 14, 2004 between Litestream Technologies, L.L.C. and Assignor (the "Purchase Agreement").
- B. The parties hereto agree that it is in all their best interests that said Purchase Agreement be assigned to the Assignee and that Assignor be relieved from all obligations thereunder.

### WITNESSETH

NOW THEREFORE, in consideration of the sum of \$10.00 and other good and valuable consideration (including the promises contained in this Assignment) receipt and sufficiency whereof is hereby acknowledged by the parties, the parties hereto agree as follows:

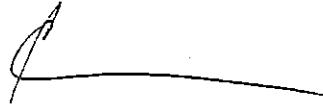
- 1. The foregoing Recitals are hereby incorporated herein.
- 2. Assignor hereby assigns all of its right, title and interest in and to the Purchase Agreement effective as of the date of this Agreement, which assignment is made without warranty or representation of any kind.
- 3. Assignee accepts the foresaid assignment and hereby accepts all the terms and conditions of said Purchase Agreement, and agrees to perform all the obligations of the Assignee thereunder.

[SIGNATURES ON FOLLOWING PAGE]

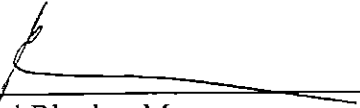


21<sup>st</sup> IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the  
day of May, 2004.

**RESIDENTIAL TELECOM, LLC**

By:   
Name: Paul Rhodes  
Title: Managing Member

**LITESTREAM HOLDINGS, LLC**

By:   
Paul Rhodes, Manager

## BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT

**THIS BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT** dated as of May 14, 2004 is made and entered into between **Litestream Technologies, LLC**, a Florida limited liability company, (the "Seller" or the "Company"), and **Litestream Holdings, LLC**, a Florida limited liability company, ("Purchaser") as assignee of **Residential Telecom, LLC** ("ResTel"), pursuant to that certain Asset Purchase Agreement dated as of May 14, 2004 (the "Agreement") by and among ResTel and the Seller, which Agreement provides for the purchase and sale of substantially all of the assets, properties and business of Seller. Capitalized terms used herein and not defined have the meanings assigned to them in the Agreement.

**KNOW ALL PERSONS BY THESE PRESENTS**, that pursuant to the terms and conditions of the Agreement and for the consideration set forth therein, the receipt and sufficiency of which is hereby acknowledged, the Seller hereby sells, conveys, transfers, assigns and delivers to the Purchaser all of its right, title and interest in and to the assets listed on Schedule 1.1(a) hereto (generally described as the St. John's County and Intangible Assets) along with all other properties, business and trade names, goodwill and other assets of the Purchaser related to, or used in the operation of, the Business, whether real, personal or mixed, tangible or intangible, wherever located, as they exist on the Closing Date (collectively, the "Purchased Assets") which, without limiting the generality of the foregoing, shall include the following:

(a) all vehicles, machinery, equipment, fiber optic systems and cables, tools, supplies, leasehold improvements, furniture and fixtures owned by the Seller, and any other tangible personal property owned by the Seller, in each case related to, or used in the operation of, the Business;

(b) all inventories owned by the Seller related to the Business;

(c) all of the interests, rights and benefits accruing to the Seller under any licenses, service agreements, customer agreements, maintenance and support agreements, equipment leases, easements, franchise contracts, along with all other agreements listed on Schedule 1.1(a);

(d) all operating data and records owned by the Seller, including all customer lists;

(e) all of the Seller's rights with respect to intangible property, including, but not limited to, all patents (and applications therefor), licenses, trademarks (and applications therefor), names, including but not limited to the name Litestream Technologies, and all rights and goodwill related thereto, service marks, tradenames (whether registered or unregistered), domain names (and any derivations thereof), copyrights (and applications therefor), proprietary computer software, proprietary inventions, proprietary technology, technical information, discoveries, designs, proprietary rights and non-public information, trade secrets,

and know-how, in each case whether or not patentable (collectively, the "Intellectual Property");

(f) all permits, licenses and other authorizations of the Seller related to the Business;

(g) all rights with respect to the Seller's cable franchises;

(h) all rights with respect to any and all easements granted to Seller in connection with the Purchased Assets or the Business; and

(i) all other assets of the Seller of any kind or nature related to, or used in the operation of, the Business.

**TO HAVE AND TO HOLD** the same unto the Purchaser, its successors and assigns forever.

The Seller hereby constitutes and appoints the Purchaser, its successors and assigns, its true and lawful attorney, in the name of either the Purchaser or the Seller (as the Purchaser shall determine in its sole discretion) but for the benefit and at the expense of the Purchaser (except as otherwise herein provided), to (i) institute and prosecute all proceedings which the Purchaser may deem proper in order to collect, assert or enforce any claim, right or title of any kind in or to the Purchased Assets; (ii) to defend or compromise any and all actions, suits or proceedings in respect of any of the Purchased Assets, and to do all such acts and things in relation thereto as Purchaser shall deem advisable; and (iii) take all action which the Purchaser may reasonably deem proper in order to provide for the Purchaser the benefits under any of the Purchased Assets where any required consent of another party to the sale or assignment thereof to the Purchaser pursuant to the Agreement shall not have been obtained. The Seller acknowledges that the foregoing powers are coupled with an interest and shall be irrevocable. The Purchaser shall be entitled to retain for its own account any amounts collected pursuant to the foregoing powers, including any amounts payable as interest in respect thereof.

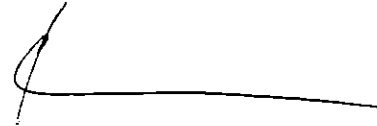
The Purchaser hereby assumes and agrees to pay, discharge and perform when lawfully due all of the obligations, duties and liabilities of the Company with respect to the Purchased Assets. Except for the obligations due pursuant to the Purchased Assets, the parties expressly agree that the Purchaser shall not assume or otherwise become liable for any other obligations or liabilities of the Company.

[Signatures on following page]

**IN WITNESS WHEREOF**, each of the parties have caused this instrument to be signed in its name by its officer thereunto duly authorized on the date first above written.

**PURCHASER:**

**Litestream Holdings, LLC**, a Florida limited liability company

By:   
Paul Rhodes, Manager

**SELLER:**

**Litestream Technologies, LLC**, a Florida limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**IN WITNESS WHEREOF**, each of the parties have caused this instrument to be signed in its name by its officer thereunto duly authorized on the date first above written.

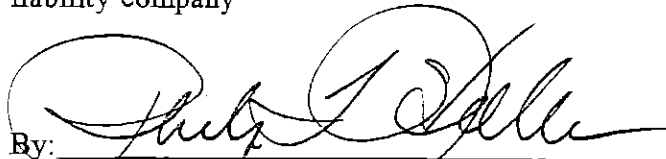
**PURCHASER:**

**Litestream Holdings, LLC**, a Florida limited liability company

By: \_\_\_\_\_  
Paul Rhodes, Manager

**SELLER:**

**Litestream Technologies, LLC**, a Florida limited liability company

By:   
Name: PHILIP L. HOLOBNOOKS  
Title: CEO

**Schedule 1.1(a) Residential Telecom, LLC**

Bell South	Purchaser	Provision of Telecommunications Services
New South	Purchaser	Provision of Telecommunications Services
4Com	Purchaser	Provision of Cable TV Content
A&E Network	Purchaser	Provision of Cable TV Content
ABC Cable Network Group	Purchaser	Provision of Cable TV Content
American Movie Classics	Purchaser	Provision of Cable TV Content
Animal Planet	Purchaser	Provision of Cable TV Content
Black Entertainment Television	Purchaser	Provision of Cable TV Content
Bravo	Purchaser	Provision of Cable TV Content
Cable News Network	Purchaser	Provision of Cable TV Content
Cartoon Network	Purchaser	Provision of Cable TV Content
Cinemax	Purchaser	Provision of Cable TV Content
CNBC	Purchaser	Provision of Cable TV Content
Comedy Central	Purchaser	Provision of Cable TV Content
Court TV	Purchaser	Provision of Cable TV Content
C-Span & C-Span 2	Purchaser	Provision of Cable TV Content
Disney Channel	Purchaser	Provision of Cable TV Content
DMX Music	Purchaser	Provision of Cable TV Content
E!	Purchaser	Provision of Cable TV Content
Encore	Purchaser	Provision of Cable TV Content
ESPN	Purchaser	Provision of Cable TV Content
EWTN	Purchaser	Provision of Cable TV Content
Food Network	Purchaser	Provision of Cable TV Content
Fox Cable Networks	Purchaser	Provision of Cable TV Content
Fox Family Channel	Purchaser	Provision of Cable TV Content
Fox News Channel	Purchaser	Provision of Cable TV Content
Fox Sports World	Purchaser	Provision of Cable TV Content
FX	Purchaser	Provision of Cable TV Content
Golf Channel	Purchaser	Provision of Cable TV Content
Great American Country	Purchaser	Provision of Cable TV Content
HBO	Purchaser	Provision of Cable TV Content
Headline News	Purchaser	Provision of Cable TV Content
History Channel	Purchaser	Provision of Cable TV Content
Home & Garden Television	Purchaser	Provision of Cable TV Content
Home Shopping Network	Purchaser	Provision of Cable TV Content
Learning Channel	Purchaser	Provision of Cable TV Content
Movie Plex	Purchaser	Provision of Cable TV Content
MSNBC	Purchaser	Provision of Cable TV Content
MTV Music Television	Purchaser	Provision of Cable TV Content
MTV Networks	Purchaser	Provision of Cable TV Content
NCTC	Purchaser	Provision of Cable TV Content
Muchmusic	Purchaser	Provision of Cable TV Content
Nickelodeon	Purchaser	Provision of Cable TV Content

Outdoor Life Network	Purchaser	Provision of Cable TV Content
Playboy TV Networks	Purchaser	Provision of Cable TV Content
Sci-Fi Channel	Purchaser	Provision of Cable TV Content
Showtime	Purchaser	Provision of Cable TV Content
Speedvision Network	Purchaser	Provision of Cable TV Content
Starz	Purchaser	Provision of Cable TV Content
Sunshine Network	Purchaser	Provision of Cable TV Content
TBS Superstation	Purchaser	Provision of Cable TV Content
Travel Channel	Purchaser	Provision of Cable TV Content
Trio	Purchaser	Provision of Cable TV Content
Turner Classic Movies	Purchaser	Provision of Cable TV Content
Turner Network Television	Purchaser	Provision of Cable TV Content
TV Land	Purchaser	Provision of Cable TV Content
VH1	Purchaser	Provision of Cable TV Content
Weather Channel	Purchaser	Provision of Cable TV Content
Women's Entertainment	Purchaser	Provision of Cable TV Content
St. Joe Residential Acquisitions, Inc.	Seller	Agreements with Developers for provision of Services
Marshall Creek, Ltd.	Seller	Agreements with Developers for provision of Services
D. R. Horton Inc.	Seller	Agreements with Developers for provision of Services
Stonehurst Plantation, Inc.	Seller	Agreements with Developers for provision of Services
Oaks Housing Partners, Ltd.	Seller	Agreements with Developers for provision of Services
Johns Creek, LLC	Seiler	Agreements with Developers for provision of Services
St. Johns Forest, LLC	Seller	Agreements with Developers for provision of Services
GE Capital	Purchaser	Leased Telephone Switch
Florida East Coast Railway	Purchaser	Railroad Crossing Agreement
TECO Partners	Purchaser	Sales & Marketing Services

**Litestream Technologies, LLC  
Equipment Inventory - St. Johns**

Passive Devices Inc.	Channel Modulator	3	PDI 60CM	CM00300809321
Passive Devices Inc.	Channel Modulator	11	PDI 60CM	
Passive Devices Inc.	Channel Modulator	14	PDI 60CM	CM01400805896
Passive Devices Inc.	Channel Modulator	15	PDI 60CM	CM01500808599
Passive Devices Inc.	Channel Modulator	16	PDI 60CM	CM01600807659
Passive Devices Inc.	Channel Modulator	17	PDI 60CM	CM01700809393
Passive Devices Inc.	Channel Modulator	18	PDI 60CM	CM01800809397
Passive Devices Inc.	Channel Modulator	19	PDI 60CM	CM01900809401
Passive Devices Inc.	Channel Modulator	20	PDI 60CM	CM02000809404
Passive Devices Inc.	Channel Modulator	21	PDI 60CM	CM0210134328
Passive Devices Inc.	Channel Modulator	22	PDI 60CM	CM022809359

{M2109855;1}

Passive Devices Inc.	Channel Modulator	23	PDI 60CM	CM02300809301
Passive Devices Inc.	Channel Modulator	24	PDI 60CM	CM024804745
Passive Devices Inc.	Channel Modulator	26	PDI 60CM	CM02600804741
Passive Devices Inc.	Channel Modulator	27	PDI 60CM	CM027804764
Passive Devices Inc.	Channel Modulator	30	PDI 60CM	CM03000805529
Passive Devices Inc.	Channel Modulator	31	PDI 60CM	CM03100800155
Passive Devices Inc.	Channel Modulator	32	PDI 60CM	CM03200804819
Passive Devices Inc.	Channel Modulator	33	PDI 60CM	CM03300805554
Passive Devices Inc.	Channel Modulator	34	PDI 60CM	CM034804839
Passive Devices Inc.	Channel Modulator	35	PDI 60CM	CM035804859
Passive Devices Inc.	Channel Modulator	36	PDI 60CM	CM036804860
Passive Devices Inc.	Channel Modulator	37	PDI 60CM	CM037804874
Passive Devices Inc.	Channel Modulator	38	PDI 60CM	CM038804884
Passive Devices Inc.	Channel Modulator	39	PDI 60CM	CM03900800194
Passive Devices Inc.	Channel Modulator	40	PDI 60CM	CM040804915
Passive Devices Inc.	Channel Modulator	41	PDI 60CM	CM041000805616
Passive Devices Inc.	Channel Modulator	42	PDI 60CM	CM042008044933
Passive Devices Inc.	Channel Modulator	43	PDI 60CM	CM04300805631
Passive Devices Inc.	Channel Modulator	44	PDI 60CM	CM04400800211
Passive Devices Inc.	Channel Modulator	45	PDI 60CM	CM045804927
Passive Devices Inc.	Channel Modulator	46	PDI 60CM	CM046805630
Passive Devices Inc.	Channel Modulator	47	PDI 60CM	CM047845632
Passive Devices Inc.	Channel Modulator	48	PDI 60CM	CM048804766
Passive Devices Inc.	Channel Modulator	49	PDI 60CM	CM049805672
Passive Devices Inc.	Channel Modulator	50	PDI 60CM	CM05000805035
Passive Devices Inc.	Channel Modulator	51	PDI 60CM	CM051809379
Passive Devices Inc.	Channel Modulator	52	PDI 60CM	CM052809162
Passive Devices Inc.	Channel Modulator	54	PDI 60CM	CM054809155
Passive Devices Inc.	Channel Modulator	55	PDI 60CM	CM055809415
Passive Devices Inc.	Channel Modulator	57	PDI 60CM	CM05700809416
Passive Devices Inc.	Channel Modulator	58	PDI 60CM	CM05800809390
Passive Devices Inc.	Channel Modulator	66	PDI 60CM	CM06600809449
Passive Devices Inc.	Channel Modulator	67	PDI 60CM	CM067809059
Passive Devices Inc.	Channel Modulator	68	PDI 60CM	CM06800809126
Passive Devices Inc.	Channel Modulator	70	PDI 60CM	CM07000809047
Passive Devices Inc.	Channel Modulator	71	PDI 60CM	CM07100809469
Passive Devices Inc.	Channel Modulator	72	PDI 60CM	CM07200809040
Passive Devices Inc.	Channel Modulator	73	PDI 60CM	CM073809217
Passive Devices Inc.	Channel Modulator	74	PDI 60CM	CM07400011427
Passive Devices Inc.	Channel Modulator	75	PDI 60CM	CM0750809484
Passive Devices Inc.	Channel Modulator	76	PDI 60CM	CM07600809035
Passive Devices Inc.	Channel Modulator	77	PDI 60CM	CM07700808661
Passive Devices Inc.	Channel Modulator	56	PDI 60CMS STEREO	CM05600809
Passive Devices Inc.	Channel Modulator	59	PDI 60CMS STEREO	CM05900809422
Passive Devices Inc.	Channel Modulator	60	PDI 60CMS STEREO	CM06000809424
Passive Devices Inc.	Channel Modulator	61	PDI 60CMS STEREO	CM06100809429
Passive Devices Inc. (M2109855;1)	Agile Fixed Modulator	4	PDI 60 AFP	FPP015704165



## ASSIGNMENT OF ASSET PURCHASE AGREEMENT

This Assignment of Purchase Agreement (the "Assignment") is entered into as of May, 2004 between **Residential Telecom, LLC** ("Assignor") and **Litestream Holdings, LLC** ("Assignee").

### RECITALS

- A. Assignor entered into that certain Asset Purchase Agreement dated as of May 14, 2004 between Litestream Technologies, L.L.C. and Assignor (the "Purchase Agreement").
- B. The parties hereto agree that it is in all their best interests that said Purchase Agreement be assigned to the Assignee and that Assignor be relieved from all obligations thereunder.

### WITNESSETH


NOW THEREFORE, in consideration of the sum of \$10.00 and other good and valuable consideration (including the promises contained in this Assignment) receipt and sufficiency whereof is hereby acknowledged by the parties, the parties hereto agree as follows:

- 1. The foregoing Recitals are hereby incorporated herein.
- 2. Assignor hereby assigns all of its right, title and interest in and to the Purchase Agreement effective as of the date of this Agreement, which assignment is made without warranty or representation of any kind.
- 3. Assignee accepts the foresaid assignment and hereby accepts all the terms and conditions of said Purchase Agreement, and agrees to perform all the obligations of the Assignee thereunder.


[SIGNATURES ON FOLLOWING PAGE]

11<sup>th</sup> IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the  
day of May, 2004.

**RESIDENTIAL TELECOM, LLC**

By:   
Name: Paul Rhodes  
Title: Managing Member

**LITESTREAM HOLDINGS, LLC**

By:   
Paul Rhodes, Manager

## BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT

**THIS BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT** dated as of May 14, 2004 is made and entered into between **Litestream Technologies, LLC**, a Florida limited liability company, (the "Seller" or the "Company"), and **Litestream Holdings, LLC**, a Florida limited liability company, ("Purchaser") as assignee of **Residential Telecom, LLC** ("ResTel"), pursuant to that certain Asset Purchase Agreement dated as of May 14, 2004 (the "Agreement") by and among ResTel and the Seller, which Agreement provides for the purchase and sale of substantially all of the assets, properties and business of Seller. Capitalized terms used herein and not defined have the meanings assigned to them in the Agreement.

**KNOW ALL PERSONS BY THESE PRESENTS**, that pursuant to the terms and conditions of the Agreement and for the consideration set forth therein, the receipt and sufficiency of which is hereby acknowledged, the Seller hereby sells, conveys, transfers, assigns and delivers to the Purchaser all of its right, title and interest in and to the assets listed on Schedule 1.1(a) hereto (generally described as the St. John's County and Intangible Assets) along with all other properties, business and trade names, goodwill and other assets of the Purchaser related to, or used in the operation of, the Business, whether real, personal or mixed, tangible or intangible, wherever located, as they exist on the Closing Date (collectively, the "Purchased Assets") which, without limiting the generality of the foregoing, shall include the following:

(a) all vehicles, machinery, equipment, fiber optic systems and cables, tools, supplies, leasehold improvements, furniture and fixtures owned by the Seller, and any other tangible personal property owned by the Seller, in each case related to, or used in the operation of, the Business;

(b) all inventories owned by the Seller related to the Business;

(c) all of the interests, rights and benefits accruing to the Seller under any licenses, service agreements, customer agreements, maintenance and support agreements, equipment leases, easements, franchise contracts, along with all other agreements listed on Schedule 1.1(a);

(d) all operating data and records owned by the Seller, including all customer lists;

(e) all of the Seller's rights with respect to intangible property, including, but not limited to, all patents (and applications therefor), licenses, trademarks (and applications therefor), names, including but not limited to the name Litestream Technologies, and all rights and goodwill related thereto, service marks, tradenames (whether registered or unregistered), domain names (and any derivations thereof), copyrights (and applications therefor), proprietary computer software, proprietary inventions, proprietary technology, technical information, discoveries, designs, proprietary rights and non-public information, trade secrets,

and know-how, in each case whether or not patentable (collectively, the "Intellectual Property");

(f) all permits, licenses and other authorizations of the Seller related to the Business;

(g) all rights with respect to the Seller's cable franchises;

(h) all rights with respect to any and all easements granted to Seller in connection with the Purchased Assets or the Business; and

(i) all other assets of the Seller of any kind or nature related to, or used in the operation of, the Business.

**TO HAVE AND TO HOLD** the same unto the Purchaser, its successors and assigns forever.

The Seller hereby constitutes and appoints the Purchaser, its successors and assigns, its true and lawful attorney, in the name of either the Purchaser or the Seller (as the Purchaser shall determine in its sole discretion) but for the benefit and at the expense of the Purchaser (except as otherwise herein provided), to (i) institute and prosecute all proceedings which the Purchaser may deem proper in order to collect, assert or enforce any claim, right or title of any kind in or to the Purchased Assets; (ii) to defend or compromise any and all actions, suits or proceedings in respect of any of the Purchased Assets, and to do all such acts and things in relation thereto as Purchaser shall deem advisable; and (iii) take all action which the Purchaser may reasonably deem proper in order to provide for the Purchaser the benefits under any of the Purchased Assets where any required consent of another party to the sale or assignment thereof to the Purchaser pursuant to the Agreement shall not have been obtained. The Seller acknowledges that the foregoing powers are coupled with an interest and shall be irrevocable. The Purchaser shall be entitled to retain for its own account any amounts collected pursuant to the foregoing powers, including any amounts payable as interest in respect thereof.


The Purchaser hereby assumes and agrees to pay, discharge and perform when lawfully due all of the obligations, duties and liabilities of the Company with respect to the Purchased Assets. Except for the obligations due pursuant to the Purchased Assets, the parties expressly agree that the Purchaser shall not assume or otherwise become liable for any other obligations or liabilities of the Company.

[Signatures on following page]

**IN WITNESS WHEREOF**, each of the parties have caused this instrument to be signed in its name by its officer thereunto duly authorized on the date first above written.

**PURCHASER:**

**Litestream Holdings, LLC**, a Florida limited liability company

By:  \_\_\_\_\_  
Paul Rhodes, Manager

**SELLER:**

**Litestream Technologies, LLC**, a Florida limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**IN WITNESS WHEREOF**, each of the parties have caused this instrument to be signed in its name by its officer thereunto duly authorized on the date first above written.


**PURCHASER:**

**Litestream Holdings, LLC**, a Florida limited liability company

By: \_\_\_\_\_  
Paul Rhodes, Manager

**SELLER:**

**Litestream Technologies, LLC**, a Florida limited liability company

By:   
Name: PHILIP L. HOLOBROOKS  
Title: CEO

**Schedule 1.1(a) Residential Telecom, LLC**

Bell South	Purchaser	Provision of Telecommunications Services
New South	Purchaser	Provision of Telecommunications Services
4Com	Purchaser	Provision of Cable TV Content
A&E Network	Purchaser	Provision of Cable TV Content
ABC Cable Network Group	Purchaser	Provision of Cable TV Content
American Movie Classics	Purchaser	Provision of Cable TV Content
Animal Planet	Purchaser	Provision of Cable TV Content
Black Entertainment Television	Purchaser	Provision of Cable TV Content
Bravo	Purchaser	Provision of Cable TV Content
Cable News Network	Purchaser	Provision of Cable TV Content
Cartoon Network	Purchaser	Provision of Cable TV Content
Cinemax	Purchaser	Provision of Cable TV Content
CNBC	Purchaser	Provision of Cable TV Content
Comedy Central	Purchaser	Provision of Cable TV Content
Court TV	Purchaser	Provision of Cable TV Content
C-Span & C-Span 2	Purchaser	Provision of Cable TV Content
Disney Channel	Purchaser	Provision of Cable TV Content
DMX Music	Purchaser	Provision of Cable TV Content
E!	Purchaser	Provision of Cable TV Content
Encore	Purchaser	Provision of Cable TV Content
ESPN	Purchaser	Provision of Cable TV Content
EWTN	Purchaser	Provision of Cable TV Content
Food Network	Purchaser	Provision of Cable TV Content
Fox Cable Networks	Purchaser	Provision of Cable TV Content
Fox Family Channel	Purchaser	Provision of Cable TV Content
Fox News Channel	Purchaser	Provision of Cable TV Content
Fox Sports World	Purchaser	Provision of Cable TV Content
FX	Purchaser	Provision of Cable TV Content
Golf Channel	Purchaser	Provision of Cable TV Content
Great American Country	Purchaser	Provision of Cable TV Content
HBO	Purchaser	Provision of Cable TV Content
Headline News	Purchaser	Provision of Cable TV Content
History Channel	Purchaser	Provision of Cable TV Content
Home & Garden Television	Purchaser	Provision of Cable TV Content
Home Shopping Network	Purchaser	Provision of Cable TV Content
Learning Channel	Purchaser	Provision of Cable TV Content
Movie Plex	Purchaser	Provision of Cable TV Content
MSNBC	Purchaser	Provision of Cable TV Content
MTV Music Television	Purchaser	Provision of Cable TV Content
MTV Networks	Purchaser	Provision of Cable TV Content
NCTC	Purchaser	Provision of Cable TV Content
Muchmusic	Purchaser	Provision of Cable TV Content
Nickelodeon	Purchaser	Provision of Cable TV Content

Outdoor Life Network	Purchaser	Provision of Cable TV Content
Playboy TV Networks	Purchaser	Provision of Cable TV Content
Sci-Fi Channel	Purchaser	Provision of Cable TV Content
Showtime	Purchaser	Provision of Cable TV Content
Speedvision Network	Purchaser	Provision of Cable TV Content
Starz	Purchaser	Provision of Cable TV Content
Sunshine Network	Purchaser	Provision of Cable TV Content
TBS Superstation	Purchaser	Provision of Cable TV Content
Travel Channel	Purchaser	Provision of Cable TV Content
Trio	Purchaser	Provision of Cable TV Content
Turner Classic Movies	Purchaser	Provision of Cable TV Content
Turner Network Television	Purchaser	Provision of Cable TV Content
TV Land	Purchaser	Provision of Cable TV Content
VH1	Purchaser	Provision of Cable TV Content
Weather Channel	Purchaser	Provision of Cable TV Content
Women's Entertainment	Purchaser	Provision of Cable TV Content
St. Joe Residential Acquisitions, Inc.	Seller	Agreements with Developers for provision of Services
Marshall Creek, Ltd.	Seller	Agreements with Developers for provision of Services
D. R. Horton Inc.	Seller	Agreements with Developers for provision of Services
Stonehurst Plantation, Inc.	Seller	Agreements with Developers for provision of Services
Oaks Housing Partners, Ltd.	Seller	Agreements with Developers for provision of Services
Johns Creek, LLC	Seller	Agreements with Developers for provision of Services
St. Johns Forest, LLC	Seller	Agreements with Developers for provision of Services
GE Capital	Purchaser	Leased Telephone Switch
Florida East Coast Railway	Purchaser	Railroad Crossing Agreement
TECO Partners	Purchaser	Sales & Marketing Services

**Litestream Technologies, LLC  
Equipment Inventory - St. Johns**

Passive Devices Inc.	Channel Modulator	3	PDI 60CM	CM00300809321
Passive Devices Inc.	Channel Modulator	11	PDI 60CM	
Passive Devices Inc.	Channel Modulator	14	PDI 60CM	CM01400805896
Passive Devices Inc.	Channel Modulator	15	PDI 60CM	CM01500808599
Passive Devices Inc.	Channel Modulator	16	PDI 60CM	CM01600807659
Passive Devices Inc.	Channel Modulator	17	PDI 60CM	CM01700809393
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Passive Devices Inc.	Channel Modulator	21	PDI 60CM	CM0210134328
Passive Devices Inc.	Channel Modulator	22	PDI 60CM	CM022809359

(M2109855;1)



Passive Devices Inc.	Channel Modulator	23	PDI 60CM	CM02300809301
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Passive Devices Inc.	Channel Modulator	33	PDI 60CM	CM03300805554
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Passive Devices Inc.	Channel Modulator	35	PDI 60CM	CM035804859
Passive Devices Inc.	Channel Modulator	36	PDI 60CM	CM036804860
Passive Devices Inc.	Channel Modulator	37	PDI 60CM	CM037804874
Passive Devices Inc.	Channel Modulator	38	PDI 60CM	CM038804884
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Passive Devices Inc.	Channel Modulator	40	PDI 60CM	CM040804915
Passive Devices Inc.	Channel Modulator	41	PDI 60CM	CM04100805616
Passive Devices Inc.	Channel Modulator	42	PDI 60CM	CM042008044933
Passive Devices Inc.	Channel Modulator	43	PDI 60CM	CM04300805631
Passive Devices Inc.	Channel Modulator	44	PDI 60CM	CM04400800211
Passive Devices Inc.	Channel Modulator	45	PDI 60CM	CM045804927
Passive Devices Inc.	Channel Modulator	46	PDI 60CM	CM046805630
Passive Devices Inc.	Channel Modulator	47	PDI 60CM	CM047845632
Passive Devices Inc.	Channel Modulator	48	PDI 60CM	CM048804766
Passive Devices Inc.	Channel Modulator	49	PDI 60CM	CM049805672
Passive Devices Inc.	Channel Modulator	50	PDI 60CM	CM05000805035
Passive Devices Inc.	Channel Modulator	51	PDI 60CM	CM051809379
Passive Devices Inc.	Channel Modulator	52	PDI 60CM	CM052809162
Passive Devices Inc.	Channel Modulator	54	PDI 60CM	CM054809155
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Passive Devices Inc.	Channel Modulator	58	PDI 60CM	CM05800809390
Passive Devices Inc.	Channel Modulator	66	PDI 60CM	CM06600809449
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Passive Devices Inc.	Channel Modulator	70	PDI 60CM	CM07000809047
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Passive Devices Inc.	Channel Modulator	73	PDI 60CM	CM073809217
Passive Devices Inc.	Channel Modulator	74	PDI 60CM	CM07400011427
Passive Devices Inc.	Channel Modulator	75	PDI 60CM	CM0750809484
Passive Devices Inc.	Channel Modulator	76	PDI 60CM	CM07600809035
Passive Devices Inc.	Channel Modulator	77	PDI 60CM	CM07700808661

Passive Devices Inc.	Channel Modulator	56	PDI 60CMS STEREO	CM05600809
Passive Devices Inc.	Channel Modulator	59	PDI 60CMS STEREO	CM05900809422
Passive Devices Inc.	Channel Modulator	60	PDI 60CMS STEREO	CM06000809424
Passive Devices Inc.	Channel Modulator	61	PDI 60CMS STEREO	CM06100809429

Passive Devices Inc. (M2109855;1)	Agile Fixed Modulator	4	PDI 60 AFP	FPP015704165
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Passive Devices Inc.	Agile Fixed Modulator	5	PDI 60 AFP	FPP005917002
Passive Devices Inc.	Agile Fixed Modulator	6	PDI 60 AFP	FP6919012
Passive Devices Inc.	Agile Fixed Modulator	7	PDI 60 AFP	FPP07917023
Passive Devices Inc.	Agile Fixed Modulator	9	PDI 60 AFP	FPP09919025
Passive Devices Inc.	Agile Fixed Modulator	10	PDI 60 AFP	FPP10919030
Passive Devices Inc.	Agile Fixed Modulator	12	PDI 60 AFP	FPP012919033
Passive Devices Inc.	Agile Fixed Modulator	13	PDI 60 AFP	FPP013919035
Passive Devices Inc.	Agile Fixed Modulator	15	PDI 60 AFP	FPP004704140
Passive Devices Inc.	Agile Fixed Modulator	25	PDI 60 AFP	FPP025919036

Passive Devices Inc.	Passive Combiner		PDI-HC12	HEC12 104131
Passive Devices Inc.	Passive Combiner		PDI-HC12	HEC12 104133
Passive Devices Inc.	Passive Combiner		PDI-HC12	HEC12 104135
Passive Devices Inc.	Passive Combiner		PDI-HC12	HEC12 104136
Passive Devices Inc.	Passive Combiner		PDI-HC12	HEC12 104137
Passive Devices Inc.	Passive Combiner		PDI-HC12	HEC12 104138
Passive Devices Inc.	Passive Combiner		PDI-HC12	HEC12 104139
Passive Devices Inc.	Passive Combiner		PDI-HC12	HEC12 104140

Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203342423
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203342570
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344707
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203342466
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344757
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344700
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344703
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344732
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344625
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344677
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344746
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203345032
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344721
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344767
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344713
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344712
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344475
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344750
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344624
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344760
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344634
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344663
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344666
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203345026
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344706
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344633
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344633
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344761
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203345012
Passive Devices Inc.	Analog Receiver		PDI 60SR IRD	203344725

Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344727
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344734
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203345007
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344740
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344635
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344645
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344752
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203340161
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344667
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203344644
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203345022
Passive Devices Inc.	Analog Receiver	PDI 60SR IRD	203345034
General Instruments	Digital Receiver	DSR 4400X	0398441235000298
General Instruments	Digital Receiver	DSR 4500X	0484441260001976
General Instruments	Digital Receiver	DSR 4500X	0484441260001525
General Instruments	Digital Receiver	DSR 4500X	0484441260001433
General Instruments	Digital Receiver	DSR 4500X	0484441280001490
General Instruments	Digital Receiver	DSR 4500X	0484441260001914
General Instruments	Digital Receiver	DSR 4500X	0484441128001476
General Instruments	Digital Receiver	DSR 4500	D45017220
General Instruments	Digital Receiver	DSR 4500	D45018788
General Instruments	Digital Receiver	DSR 4500	D45018222
General Instruments	Digital Receiver	DSR 4500	D45015430
General Instruments	Digital Receiver	DSR 4500	D45019928
General Instruments	Digital Receiver	DSR 777	D45027584
Scientific Atlantic	Digital Receiver	Power Vu D9223	23327573
Scientific Atlantic	Digital Receiver	Power Vu D9223	23327405
Scientific Atlantic	Digital Receiver	Power Vu D9230	23560710
Wegener Communications	Digital Receiver	Unity 4000	061461
Wegener Communications	Digital Receiver	Unity 4000	243198
Weather Star Jr.	Weather Channel Receiver		207017
Weather Star Jr.	Weather Channel Receiver	Weather Alert	2053
TV Guide	Processor		

### Hits Equipment

General Instruments	HITS Digital Receiver	1	IRT 1000	23533415
General Instruments	HITS Digital Receiver	2	IRT 1000	23177415

{M2109855;1}

General Instruments	HITS Digital Receiver	3	IRT 1000	23532415
General Instruments	HITS Digital Receiver	5	IRT 1000	23454415
General Instruments	HITS Digital Receiver	9	IRT 1000	23282415
General Instruments	HITS Digital Receiver	11	IRT 1000	23441415
General Instruments	HITS Digital Receiver	Ind 2	IRT 1000	23293415
General Instruments	HITS Digital Receiver		OM 1000	DIM 0007236416
General Instruments	HITS Digital Receiver		C8U H	J1D 7000106760
General Instruments	HITS Digital Receiver		C8U H	J1D 7000107760
General Instruments	HITS Digital Receiver		C8U H	J1D 7000108760
General Instruments	HITS Digital Receiver		C8U H	J1L 7000255760
General Instruments	HITS Digital Receiver		C8U H	J1L 7000254760
General Instruments	HITS Digital Receiver		C8U H	J1L7000253760
<b>MOTOROLA</b>	HITS Digital Receiver		HMS	HMS US01011424

### Ethernet Equipment

Cisco	Router		Catalyst 2950	FAB 0603P34L
Cisco	Router		Catalyst 2950	FAB 0551WDSL
Spectrum	Server		Server	C08000A1220439
Spectrum	Server		Server	C08000A1220302
Compaq	Monitor		Monitor	143BK43BP364
Key Board	Key Board		<b>MICROSOFT</b>	5167707925403
TIARA	Switch		Networks 1400	1400MISD2110016

### MARCONI COT

5000578001

Phillips Diamond Link	Lazer		1550 nm Optical tx	610937080985
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MARCONI			XTD SHELF	SNMHCE0BRB
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ALPHA UPS	UPS Power Supply		1400 SXL PLUS	020104235
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<b>TAQUA SWITCH</b>	Phone Switch			
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<b>PINNACLE VOICE MAIL</b>	Voice Mail Server			
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Equipment Inventory - Palencia

### OSI FIBER DRIVE

EDFA

### ETHERNET

CISCO ROUTER

MARCONI ETHERNET SWITCH

### BATTERY RACK AND BATTERIES

UPS

Building:

Building and all  
appurtenances thereto  
located at St. John's  
Golf and Country Club,  
St. John's County,  
Florida

Cable:

Fiber Optic Distribution Cable with appropriate  
connections and equipment  
241010-Cable-St. Johns Creek  
24104-Cable-Palencia  
24105-Cable-St. Johns  
24106-Cable-Wingfield Glen  
24108-Cable-Stonehurst  
24109-Cable-The Oaks

Plant Under Construction:

2001410-PUC-Cable-St. Johns Creek  
200144-PUC-Cable-Palencia  
200145-PUC-Cable-St. Johns  
200146-PUC-Cable-Wingfield Glen  
200148-PUC-Cable-Stonehurst  
200149-PUC-Cable-The Oaks  
20014-PUC-Cable-Other

Tools-Central Office  
Tools-St. Johns  
Equipment-Other

Central Office

Laptop Computers (11)-Various makes and models  
Desktop Computers (5)-Various makes and models  
Fax Machines (2)-Brother Model 9700; Brother Model 2800  
Printers: (5)-HP Model 4100, HP Model 890c; HP Model 950c;  
Epson C62; HP Model 4050

Cnt	VIN	Make	Model	Year	Color	Owner
2	1FTZX1721YNA30025	Ford	F150	2000	White	Owned

7	1FMZU73W22UA33156	Ford	Explorer	2002	White	Owned
9	1J4FT48S41L581091	Jeep	Cherokee	2001	White	Owned

<b>Contract</b>	<b>Type of Contract</b>	<b>Contract Date</b>	<b>Owed Pre-Petition</b>	<b>Owed Post-Petition</b>
A&E Network c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-01-01	0	0
American Movie Classics c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Animal Planet c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-01-01	0	0
Back Entertainment Television c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Bravo c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Cartoon Network c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Cinemax & HBO c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-01-01	0	0
CNBC c/o NCTC	Cable TV Content	11-16-01	0	0

11200 Corporate Ave.  
Lenexa, KS 60219-1392

Cable News Network c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
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Comedy Central c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
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Court TV c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
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C-Span & C-Span 2 c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	03-14-01	0	0
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Disney Channel c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
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DMX Music c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
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E! c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
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Encore c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
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ESPN c/o NCTC	Cable TV Content	11-16-01	0	0
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{M2109855;1}

11200 Corporate Ave.  
Lenexa, KS 60219-1392

EWTN  
c/o NCTC  
11200 Corporate Ave.  
Lenexa, KS 60219-1392

Cable TV Content 11-16-01 0 0

Food Network  
c/o NCTC  
11200 Corporate Ave.  
Lenexa, KS 60219-1392

Cable TV Content 11-01-01 0 0

Fox Family Channel  
c/o NCTC  
11200 Corporate Ave.  
Lenexa, KS 60219-1392

Cable TV Content 11-16-01 0 0

Fox Cable Networks  
c/o NCTC  
11200 Corporate Ave.  
Lenexa, KS 60219-1392

Cable TV Content 11-16-01 0 0

Fox News Channel  
c/o NCTC  
11200 Corporate Ave.  
Lenexa, KS 60219-1392

Cable TV Content 11-16-01 0 0

Fox Sports World  
c/o NCTC  
11200 Corporate Ave.  
Lenexa, KS 60219-1392

Cable TV Content 11-16-01 0 0

FX  
c/o NCTC  
11200 Corporate Ave.  
Lenexa, KS 60219-1392

Cable TV Content 11-16-01 0 0

Great American Country  
c/o NCTC  
11200 Corporate Ave.  
Lenexa, KS 60219-1392

Cable TV Content 11-16-01 0 0

Golf Channel  
(M2109855;1)

Cable TV Content 11-16-01 0 0



c/o NCTC  
1200 Corporate Ave.  
Lenexa, KS 60219-1392

Headline News c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	04-15-94	0	0
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History Channel c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
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Home & Garden Television c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
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Home Shopping Network c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
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Learning Channel c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
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Movie Plex c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
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MSNBC c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
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MTV Networks c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	12-31-03	0	0
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MTV Music Television c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Muchmusic c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Nickelodeon c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Outdoor Life Network c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Playboy TV Networks 42 Beverly Blvd. Beverly Hills, CA 90210	Cable TV Content	07-01-01	0	0
Sci-Fi Channel c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Showtime c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content		0	0
ABC Cable Network Group c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	02-01-02	0	0
Speedvision Network c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0

Starz c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Sunshine Network 10000 Santa Monica Blvd Los-Angeles, CA 90067	Cable TV Content	11-16-01	3,974.00	0
TBS Superstation c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Turner Classic Movies c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Turner Network Television c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Travel Channel c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Trio c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
TV Land c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	03-19-02	0	0
4Com 1660 S. Hwy 100, Suite 590 Minneapolis, MN 55416-1534	Cable TV Content	10-08-01	127.79	0

N Demand, LLC 345 Hudson St. New York, NY 10014	Cable TV Content	11-01-03	500.00	0
VH1 c/o NCTC P.O. Box 414826 Kansas City, MO 64141	Cable TV Content	11-16-01	0	0
Weather Channel c/o NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	11-16-01	0	0
Lifetime 309 W. 49 <sup>th</sup> Street New York, NY 10019	Cable TV Content Lifetime Network	05-22-02	421.05	0
Lifetime 309 W. 49 <sup>th</sup> Street New York, NY 10019	Cable TV Content Lifetime Movie Net	05-22-02	0	0
USA Cable 1230 Avenue of the Americas New York, NY 10020	Cable TV Content	09-17-02	343.94	0
Sportschannel Florida 200 Jericho Quadrangle Jericho, NY 11753	Cable TV Content	10-01-01	1,509.24	0
TV Guide Channel Department 532 Tulsa, OK 74182	Cable TV Content	09-01-2002	1,390.20	0
TV Guide Digital Department 532 Tulsa, OK 74182	Cable TV Content	09-01-2002	657.40	0
Women's Entertainment c/o NCTC 11200 Corporate Ave. (M2109855;1)	Cable TV Content	11-16-01	0	0

Lenexa, KS 60219-1392

NCTC 11200 Corporate Ave. Lenexa, KS 60219-1392	Cable TV Content	06-23-02	0	0
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Atlantic.Net 2815 NW 13 <sup>th</sup> St., Suite 201 Gainesville, FL 32609	COLO	03-06-03	0	0
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New South	PRI's
Bell South	Interconnect
St Joe Residential Acquisitions	Joint Marketing
St. Johns Golf & Country Club	Installation & Service
Marshall Creek, Ltd	Joint Marketing
Palencia Property Owners Assoc.	Installation & Service
D.R. Horton, Inc.	Installation & Service
Stonehurst Plantation, Inc	Installation & Service
Stonehurst Plantation, Inc	Preferred Provider
The Oaks Housing Partners	Installation & Service
Johns Creek, Ltd	Installation & Service
Hutson Companies, LLC	Preferred Provider
Johns Forest, LLC	Joint Marketing
Johns Forest	Installation & Service
Taylor Woodrow Communities	Co-op Advertising
Florida East Coast RR	Railroad Crossings
TECO Partners	Marketing Services

Cable Franchise issued by Board of County Commissioners for St. Johns County, Florida dated February 26, 2002 as subsequently renewed or amended.

Telecommunications rights, under Certificate #TX681 (Competitive Local Exchange Company) and #TX681 (Interexchange Company), as issued by the Public Service Commission for the State of Florida, and subject to the provisions of the tariff on file with the Public Service Commission.

Federal Communications Commission Registration Number 0006738447

**ASSIGNMENT, TRANSFER AND QUITCLAIM OF EASEMENTS**

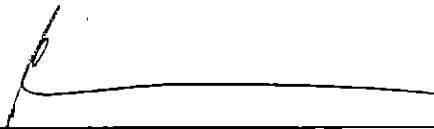
THIS ASSIGNMENT, TRANSFER AND QUITCLAIM OF EASEMENTS dated as of May 14, 2004 is made and entered into between **Litestream Technologies, LLC**, a Florida limited liability company, (the "Seller" or the "Company"), and **Litestream Holdings, LLC**, a Florida limited liability company, ("Purchaser") as assignee of **Residential Telecom, LLC** ("ResTel"), pursuant to that certain Asset Purchase Agreement dated as of May 14, 2004 (the "Agreement") by and among ResTel and the Seller, which Agreement provides for the purchase and sale of substantially all of the assets, properties and business of Seller. Capitalized terms used herein and not defined have the meanings assigned to them in the Agreement.

**KNOW ALL PERSONS BY THESE PRESENTS**, that pursuant to the terms and conditions of the Agreement and for the consideration set forth therein, the receipt and sufficiency of which is hereby acknowledged, the Seller hereby sells, conveys, transfers, assigns, sets over and transfers to the Purchaser all of its right, title and interest in and to any and all easements, or similar rights granted to Seller in connection with the Purchased Assets or the Business. By execution of this instrument, Seller hereby acknowledges that Purchaser is the successor to any right, title and interest that Seller may have in any easements.

**IN WITNESS WHEREOF**, each of the parties have caused this instrument to be signed in its name by its officer thereunto duly authorized on the date first above written.

**PURCHASER:**

**Litestream Holdings, LLC**, a Florida limited liability company

By:   
Paul Rhodes, Manager

**SELLER:**

**Litestream Technologies, LLC**, a Florida limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## ASSIGNMENT, TRANSFER AND QUITCLAIM OF EASEMENTS

THIS ASSIGNMENT, TRANSFER AND QUITCLAIM OF EASEMENTS dated as of May 14, 2004 is made and entered into between Litestream Technologies, LLC, a Florida limited liability company, (the "Seller" or the "Company"), and Litestream Holdings, LLC, a Florida limited liability company, ("Purchaser") as assignee of Residential Telecom, LLC ("ResTel"), pursuant to that certain Asset Purchase Agreement dated as of May 14, 2004 (the "Agreement") by and among ResTel and the Seller, which Agreement provides for the purchase and sale of substantially all of the assets, properties and business of Seller. Capitalized terms used herein and not defined have the meanings assigned to them in the Agreement.

KNOW ALL PERSONS BY THESE PRESENTS, that pursuant to the terms and conditions of the Agreement and for the consideration set forth therein, the receipt and sufficiency of which is hereby acknowledged, the Seller hereby sells, conveys, transfers, assigns, sets over and transfers to the Purchaser all of its right, title and interest in and to any and all easements, or similar rights granted to Seller in connection with the Purchased Assets or the Business. By execution of this instrument, Seller hereby acknowledges that Purchaser is the successor to any right, title and interest that Seller may have in any easements.

IN WITNESS WHEREOF, each of the parties have caused this instrument to be signed in its name by its officer thereunto duly authorized on the date first above written.


### PURCHASER:

Litestream Holdings, LLC, a Florida limited liability company

By: \_\_\_\_\_  
Paul Rhodes, Manager

### SELLER:

Litestream Technologies, LLC, a Florida limited liability company

By:   
Name: PHILIP L. HOLDISBROOKS  
Title: CEO

May 19, 2004

Litestream Holdings, L.L.C.  
500 Australian Avenue  
South Suite 120  
West Palm Beach, FL 33401

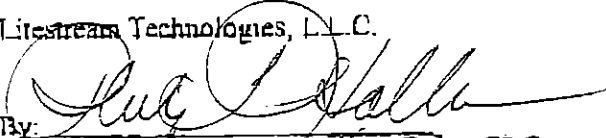
Gentleman:

Reference is made to that certain Asset Purchase Agreement dated May 14, 2004, between Residential Telecom, L.C.C. and Litestream Technologies, L.L.C. By means of this letter, we wish to confirm our understanding that notwithstanding the language of Section 1.7(d) of the Asset Purchase Agreement the Post-Closing Period (as defined in the Asset Purchase Agreement) shall run for a period of up to 150 days and further if the St. John's County approval is not obtained prior to the expiration of the Post-Closing Period, then either party hereto shall have the right but not the obligation to seek an order of the Bankruptcy Court which will make the transfer of the franchise agreement effective despite the absence of consent of St. John's County to such transfer.

Please confirm your agreement to the foregoing by signing where indicated below.

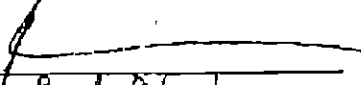
Very truly yours,

Litestream Technologies, L.L.C.

By:   
Name: PHILLIP C. HOLDERNESSES  
Title: CEO

AGREED AND ACCEPTED

Litestream Holdings, L.L.C.

By:   
Name: Paul Peter  
Title: Managing Member



May 19, 2004

Litestream Holdings, LLC  
500 Australian Avenue  
South Suite 120  
West Palm Beach, FL 33401

Gentleman:

Reference is made to that certain Asset Purchase Agreement dated May 14, 2004, between Residential Telecom, L.C.C. and Litestream Technologies, L.L.C. By means of this letter, we wish to confirm our understanding that notwithstanding the language of Section 1.7(d) of the Asset Purchase Agreement the Post-Closing Period (as defined in the Asset Purchase Agreement) shall run for a period of up to 150 days and further if the St. John's County approval is not obtained prior to the expiration of the Post-Closing Period, then either party hereto shall have the right but not the obligation to seek an order of the Bankruptcy Court which will make the transfer of the franchise agreement effective despite the absence of consent of St. John's County to such transfer.

Please confirm your agreement to the foregoing by signing where indicated below.

Very truly yours,

Litestream Technologies, L.L.C.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

AGREED AND ACCEPTED

Litestream Holdings, L.L.C.

By: \_\_\_\_\_  
Name: Paul P. Chen  
Title: Managing Member

**UNANIMOUS WRITTEN CONSENT  
OF THE SOLE MEMBER AND MANAGER  
IN LIEU OF MEETING**

The undersigned, being the sole member and manager of (the "Member" and the "Manager") of **Litestream Holdings, LLC**, a Florida limited liability company (the "Company"), in lieu of holding a meeting, hereby take the following actions and adopt the following resolutions by unanimous written consent pursuant to Section 608.4231 of the Florida Business Corporation Act:

**WHEREAS**, the Member and Manager believes it to be in the best interest of the Company to acquire substantially all of the assets and assume certain obligations of Litestream Technologies, LLC, a Florida limited liability company ("Seller") related to certain of Seller's intangible assets and its operations in St. John's County, Florida on the terms and conditions set forth in the Asset Purchase Agreement by and among the Company and Seller the form of which has been presented to and reviewed by the Member and Manager (the "Purchase Agreement"); and

**WHEREAS**, the Member and Manager believes it to be in the best interests of the Company to enter into the Purchase Agreement and certain other agreements contemplated by the Purchase Agreement.

**NOW, THEREFORE, BE IT:**

**RESOLVED**, that the form, terms and provisions of the Purchase Agreement and any and all other documents contemplated by or in connection with the Purchase Agreement (collectively the "Transaction Documents") be and hereby is authorized approved and adopted in all respects.

**FURTHER RESOLVED**, that the Manager of the Company is hereby authorized and directed to execute and deliver, in the name and on behalf of the Company, the Purchase Agreement and the Transaction Documents, with such changes as may be deemed advisable by the Manager;

**FURTHER RESOLVED**, that the Manager of the Company is hereby authorized and directed to, and the Member and Manager authorizes and approves the payment of, the purchase price in the manner prescribed by the Purchase Agreement.

**FURTHER RESOLVED**, that the Manager is hereby authorized and directed to execute and deliver, in the name and on behalf of the Company such other agreements, certificates and documents as are required pursuant to the terms of the Purchase Agreement.

**FURTHER RESOLVED**, that the Manager is hereby authorized and directed in the name and on behalf of the Company to do or cause to be done all actions and things, to prepare, execute and deliver and where necessary or appropriate, file with the appropriate governmental authorities, all such certificates, applications, contracts, agreements, filings, documents, instruments or other papers, as in their judgment, or in the judgment of any of them, shall be necessary, appropriate or desirable to carry out, comply with and effectuate the purposes and intent of the foregoing resolutions pertaining to the acquisition contemplated by the Purchase Agreement; and,

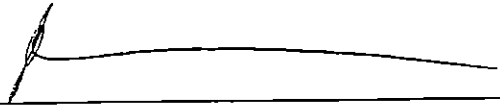
**FURTHER RESOLVED**, that any and all acts of the Manager, to the date of this action in connection with the transactions referred to in the foregoing resolutions are hereby in each and every respect ratified, confirmed, adopted and approved as the acts of the Company.

[SIGNATURES ON THE FOLLOWING PAGE]

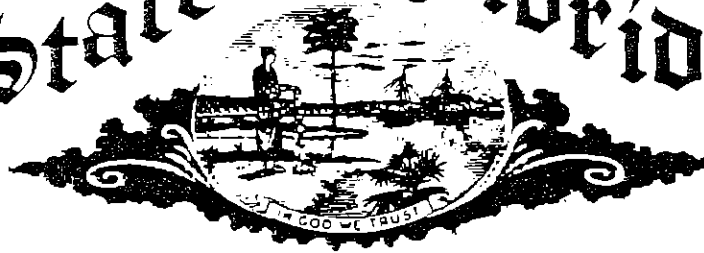
21<sup>st</sup> IN WITNESS WHEREOF, the undersigned have executed this consent as of the day  
of May, 2004.

Sole Member

  
\_\_\_\_\_  
Paul Rhodes

  
\_\_\_\_\_  
Paul Rhodes, Manager

# State of Florida



## Department of State

I certify from the records of this office that LITESTREAM HOLDINGS, LLC, is a limited liability company organized under the laws of the State of Florida, filed on May 18, 2004.

The document number of this company is L04000037810.

I further certify that said company has paid all fees due this office through December 31, 2004, and its status is active.

Given under my hand and the  
Great Seal of the State of Florida  
at Tallahassee, the Capitol, this the  
Twenty-first day of May, 2004



CR2EO22 (2-03)

*Glenda E. Hood*  
Glenda E. Hood  
Secretary of State

May 7, 2004

Residential Telecom, L.L.C.  
Attn: Paul Rhodes  
500 Australian Avenue, Suite 120  
West Palm Beach, Florida 33401

Re: Estoppel Letter in connection with assignment of contracts with Litestream Technologies, LLC ("Litestream") to Residential Telecom, LLC ("ResTel")

Dear Mr. Rhodes:

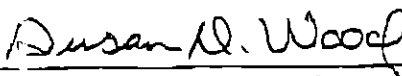
We understand that ResTel was the successful bidder of Litestream's St. John's County assets in connection with the bankruptcy auction conducted on May 4, 2004. In connection with the purchase and sale of such assets, certain executory contracts are being assigned to ResTel, including that certain Single Family Preferred Provider Agreement, dated June 26, 2003 and that certain Broadband Installation and Service Agreement, dated June 26, 2003 (collectively the "Agreements"). Litestream and ResTel have requested that we make certain representations as the non-debtor parties to the Agreements in connection with the sale of assets. The undersigned acknowledge that ResTel is relying upon this Estoppel Letter to close the sale with Litestream.

This Estoppel Letter confirms the following:

1. We are not aware of any uncured default (other than sums that may be owed by Litestream), event of default, or breach that currently exists under the Agreements.
2. We acknowledge and consent to the assignment of the Agreements to ResTel.
3. We acknowledge that ResTel shall have the right in its sole discretion, but not the obligation, to include telephone service within the package of services provided under the Agreements.
4. We acknowledge and understand that the delivery of cable, telephone security and internet services by ResTel under the Agreements may be provided using the technology and system architecture which ResTel determines is best suited to the conditions and circumstances in the Stonehurst Plantation development, which may differ from the current Litestream technology. Specifically, we agree that the use of coaxial cable and cable modems is acceptable and complies with the terms of the Agreements.
5. These acknowledgements are given on the understanding that ResTel will provide acceptable services that are as good as or better than the services currently provided by Litestream.

Sincerely,

Stonehurst Plantation, Inc.

  
\_\_\_\_\_  
Susan D. Wood, Vice President

May 7, 2004

Residential Telecom, L.L.C.  
Attn: Paul Rhodes  
500 Australian Avenue, Suite 120  
West Palm Beach, Florida 33401

Re: Estoppel Letter in connection with assignment of contracts with Litestream Technologies, LLC ("Litestream") to Residential Telecom, LLC ("ResTel")

Dear Mr. Rhodes:


We understand that ResTel was the successful bidder of Litestream's St. Johns County assets (the "St. Johns Assets") in connection with the bankruptcy auction conducted on May 4, 2004. In connection with the purchase and sale of the St. Johns Assets, certain executory contracts are being assigned to ResTel, including that certain Telecommunications and Networking Services Joint Marketing Agreement, dated December 14, 2001 (the "Agreement"). Litestream and ResTel have requested that we make certain representations as the non-debtor parties to the Agreement in connection with the sale of the St. Johns Assets. The undersigned acknowledge that ResTel is relying upon this Estoppel Letter to close the sale with Litestream.

This Estoppel Letter confirms the following:

1. We are not aware of any uncured default (other than sums that may be owed by Litestream), event of default, or breach that currently exists under the Agreement.
2. We acknowledge and consent to the assignment of the Agreement to ResTel, subject to the terms and conditions of the Agreement, except as modified by this Estoppel Letter.
3. We acknowledge that ResTel shall have the right in its sole discretion, but not the obligation, to include telephone service within the package of services provided under the Agreement on an individual basis.
4. We acknowledge and understand that the delivery of cable, telephone security and internet services by ResTel under the Agreement may be by any generally acceptable technology, which may differ from the current Litestream technology. Specifically, we agree that the use of coaxial cable and cable modems is acceptable and complies with the terms of the Agreement, provided, however, that the residential customer shall not incur any additional charges related to the installation and use of cable modems.
5. These acknowledgements are given on the understanding that ResTel will provide services acceptable to the undersigned that are as good or better than the services currently provided by Litestream.

Except to the extent modified by this Estoppel Letter, all other terms and conditions of the Agreement shall remain in full force and effect.

Sincerely,  
St. Joe Residential Acquisitions, Inc.

  
Vice President

May 7, 2004

Residential Telecom, L.L.C.  
 Attn: Paul Rhodes  
 500 Australinn Avenue, Suite 120  
 West Palm Beach, Florida 33401

Re: Estoppel Letter in connection with assignment of contracts with Litestream Technologies, LLC ("Litestream") to Residential Telecom, LLC ("ResTel")

Dear Mr. Rhodes:

We understand that ResTel was the successful bidder of Litestream's St. Johns County Assets (the "St. Johns Assets") in connection with the bankruptcy auction conducted on May 4, 2004. In connection with the purchase and sale of the St. Johns Assets, certain executory contracts are being assigned to ResTel, including that certain Broadband Installation and Service Agreement, dated December 7, 2001 (the "Agreement"). Litestream and ResTel have requested that we make certain representations as the non-debtor parties to the Agreement in connection with the sale of the St. Johns Assets. The undersigned acknowledge that ResTel is relying upon this Estoppel Letter to close the sale with Litestream.

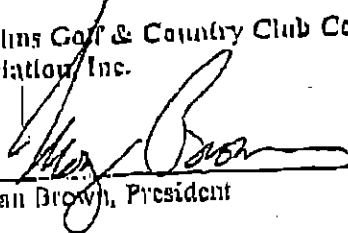
This Estoppel Letter confirms the following:

1. We are not aware of any uncured default (other than sums that may be owed by Litestream), event of default, or breach that currently exists under the Agreement.
2. We acknowledge and consent to the assignment of the Agreement to ResTel, subject to the terms and conditions of the Agreement, except as modified by this Estoppel Letter.
3. We acknowledge and understand that the delivery of cable, telephone security and internet services by ResTel under the Agreement may be by any generally acceptable technology, which may differ from the current Litestream technology. Specifically, we agree that the use of coaxial cable and cable modems is acceptable and complies with the terms of the Agreement, provided, however, that the residential customer shall not incur any additional charges related to the installation and use of cable modems.
4. These acknowledgements are given on the understanding that ResTel will provide services acceptable to the undersigned that are as good or better than the services currently provided by Litestream.

Except to the extent modified by this Estoppel Letter, all other terms or conditions of the Agreement shall remain in full force and effect.

Sincerely,

St. Johns Golf & Country Club Community  
 Association, Inc.

  
 Morgan Brown, President



May 10, 2004

Residential Telecom, L.L.C.  
Attn: Paul Rhodes  
500 Australian Avenue, Suite 120  
West Palm Beach, Florida 33401

Re: Estoppel Letter in connection with assignment of contracts with Litestream Technologies, LLC ("Litestream") to Residential Telecom, LLC ("ResTel")

Dear Mr. Rhodes:

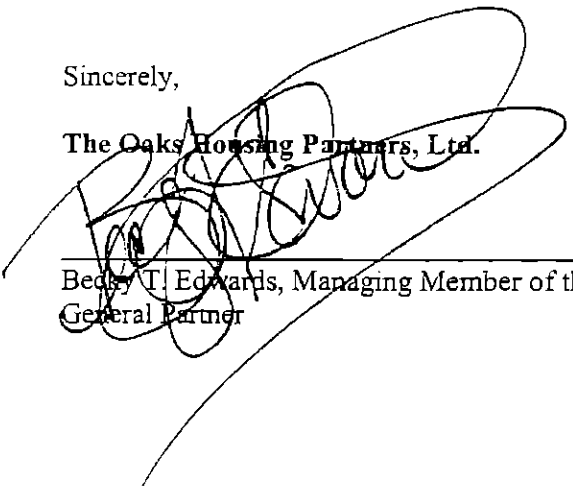
We understand that ResTel was the successful bidder of Litestream's St. John's County assets in connection with the bankruptcy auction conducted on May 4, 2004. In connection with the purchase and sale of such assets, certain executory contracts are being assigned to ResTel, including that certain Communications System Installation and Service Agreement, dated June 18, 2003 (the "Agreement"). Litestream and ResTel have requested that we make certain representations as the non-debtor parties to the Agreement in connection with the sale of assets. The undersigned acknowledge that ResTel is relying upon this Estoppel Letter to close the sale with Litestream.

This Estoppel Letter confirms the following:

1. We are not aware of any uncured default (other than sums that may be owed by Litestream), event of default, or breach that currently exists under the Agreement.
2. We acknowledge and consent to the assignment of the Agreement to ResTel.
3. We acknowledge that ResTel shall have the right in its sole discretion, but not the obligation, to include telephone service within the package of services provided under the Agreement.
4. We acknowledge and understand that the delivery of cable, telephone security and internet services by ResTel under the Agreement may be by any generally acceptable technology, which may differ from the current Litestream technology. Specifically, we agree that the use of coaxial cable and cable modems is acceptable and complies with the terms of the Agreement.
5. These acknowledgements are given on the understanding that ResTel will provide acceptable services that are as good as the services currently provided by Litestream.

Sincerely,

**The Oaks Housing Partners, Ltd.**



Becky T. Edwards, Managing Member of the  
General Partner



8468 PHILIPS HIGHWAY  
SUITE 1  
JACKSONVILLE, FL 32258  
TEL(904)266-2844  
FAX(904)292-0523

May 7, 2004

Residential Telecom, L.L.C.  
Attn: Paul Rhodes  
500 Australian Avenue, Suite 120  
West Palm Beach, Florida 33401

Re: Estoppel Letter in connection with assignment of contracts with Litestream Technologies, LLC ("Litestream") to Residential Telecom, LLC ("ResTel")

Dear Mr. Rhodes:

We understand that ResTel was the successful bidder of Litestream's St. John's County assets in connection with the bankruptcy auction conducted on May 4, 2004. In connection with the purchase and sale of such assets, certain executory contracts are being assigned to ResTel, including that certain Single Family Preferred Provider Agreement, dated February of 2003 and that certain Broadband Installation and Service Agreement, dated February 11, 2003 (collectively the "Agreements"). Litestream and ResTel have requested that we make certain representations as the non-debtor parties to the Agreements in connection with the sale of assets. The undersigned acknowledge that ResTel is relying upon this Estoppel Letter to close the sale with Litestream.

This Estoppel Letter confirms the following:

1. We are not aware of any uncured default (other than sums that may be owed by Litestream), event of default, or breach that currently exists under the Agreements.
2. We acknowledge and consent to the assignment of the Agreements to ResTel.
3. We acknowledge that ResTel shall have the right in its sole discretion, but not the obligation, to include telephone service within the package of services provided under the Agreements.
4. We acknowledge and understand that the delivery of cable, telephone security and internet services by ResTel under the Agreements may be by any generally acceptable technology, which may differ from the current Litestream technology. Specifically, we agree that the use of coaxial cable and cable modems is acceptable and complies with the terms of the Agreements.
5. These acknowledgements are given on the understanding that ResTel will provide acceptable services that are as good as the services currently provided by Litestream.

Sincerely,

D.R. Horton Inc.

Robert S. Porter, Vice President



# Taylor Woodrow

877 Executive Center Dr. W.  
Suite 205  
St. Petersburg, Florida 33702-2472  
Tel 727.563.9882  
Fax 727.563.9674  
taylorwoodrow.com

May 7, 2004

Residential Telecom, L.L.C.  
Attn: Paul Rhodes  
500 Australian Avenue, Suite 120  
West Palm Beach, Florida 33401

Re: Estoppel Letter in connection with assignment of contracts with Litestream Technologies, LLC ("Litestream") to Residential Telecom, LLC ("ResTel")

Dear Mr. Rhodes:

We understand that ResTel was the successful bidder of Litestream's St. John's County assets in connection with the bankruptcy auction conducted on May 4, 2004. In connection with the purchase and sale of such assets, certain executory contracts are being assigned to ResTel, including that certain Telecommunications and Networking Services Joint Marketing Agreement, dated November 26, 2003 and Cooperative Advertising Agreement (collectively, the "Agreement"). Litestream and ResTel have requested that we make certain representations as the non-debtor parties to the Agreement in connection with the sale of assets. The undersigned acknowledge that ResTel is relying upon this Estoppel Letter to close the sale with Litestream.

This Estoppel Letter confirms the following:

1. We are not aware of any uncured default (other than sums that may be owed by Litestream), event of default, or breach that currently exists under the Agreement.
2. We acknowledge and consent to the assignment of the Agreement to ResTel, provided ResTel assumes all obligations under the Agreement.
3. We acknowledge and understand that the delivery of cable, telephone security and internet services by ResTel under the Agreement may be by any generally acceptable technology, which may differ from the current Litestream technology. Specifically, we agree that the use of coaxial cable and cable modems is acceptable and complies with the terms of the Agreement.
4. These acknowledgements are given on the understanding that ResTel will provide acceptable services that are as good as the services currently provided by Litestream.

Sincerely,

**Taylor Woodrow Communities at  
St. Johns Forest, L.L.C.**

  
Thomas Spence,  
Senior Land Development Manager



# Taylor Woodrow

877 Executive Center Dr. W.  
Suite 205  
St. Petersburg, Florida 33702-2472

Tel 727.563.9882

Fax 727.563.9674

taylorwoodrow.com

May 7, 2004

Residential Telecom, L.L.C.  
Attn: Paul Rhodes  
500 Australian Avenue, Suite 120  
West Palm Beach, Florida 33401

Re: Estoppel Letter in connection with assignment of contracts with Litestream Technologies, LLC ("Litestream") to Residential Telecom, LLC ("ResTel")

Dear Mr. Rhodes:

We understand that ResTel was the successful bidder of Litestream's St. John's County assets in connection with the bankruptcy auction conducted on May 4, 2004. In connection with the purchase and sale of such assets, certain executory contracts are being assigned to ResTel, including that certain Communications System Installation and Service Agreement, dated November 25, 2003 (the "Agreement"). Litestream and ResTel have requested that we make certain representations as the non-debtor parties to the Agreement in connection with the sale of assets. The undersigned acknowledge that ResTel is relying upon this Estoppel Letter to close the sale with Litestream.

This Estoppel Letter confirms the following:

1. We are not aware of any uncured default (other than sums that may be owed by Litestream), event of default, or breach that currently exists under the Agreement.
2. We acknowledge and consent to the assignment of the Agreement to ResTel, provided ResTel assumes all obligations under the Agreement.
3. We acknowledge and understand that the delivery of cable, telephone security and internet services by ResTel under the Agreement may be by any generally acceptable technology, which may differ from the current Litestream technology. Specifically, we agree that the use of coaxial cable and cable modems is acceptable and complies with the terms of the Agreement.
4. These acknowledgements are given on the understanding that ResTel will provide acceptable services that are as good as the services currently provided by Litestream.
5. The name of the Association (as defined in the Agreement) is revised to refer to the entity set forth below.

Sincerely,

**St. Johns Forest Master Property Owners  
Association, Inc.**

Thomas Spence,  
Senior Land Development Manager



Residential Telecom, L.L.C.  
Attn: Paul Rhodes  
500 Australian Avenue, Suite 120  
West Palm Beach, Florida 33401

Re: Estoppel Letter in connection with assignment of contracts with Litestream Technologies, LLC ("Litestream") to Residential Telecom, LLC ("ResTel")

Dear Mr. Rhodes:

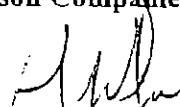
We understand that ResTel was the successful bidder of Litestream's St. John's County assets in connection with the bankruptcy auction conducted on May 4, 2004. In connection with the purchase and sale of such assets, certain executory contracts are being assigned to ResTel, including that certain Single Family Preferred Provider Agreement, dated July 2, 2003 (the "Agreement"). Litestream and ResTel have requested that we make certain representations as the non-debtor parties to the Agreement in connection with the sale of assets. The undersigned acknowledge that ResTel is relying upon this Estoppel Letter to close the sale with Litestream.

This Estoppel Letter confirms the following:

1. We are not aware of any uncured default (other than sums that may be owed by Litestream), event of default, or breach that currently exists under the Agreement.
2. We acknowledge and consent to the assignment of the Agreement to ResTel provided it does not constitute a modification to the agreement except as described in this letter.
3. We acknowledge that ResTel shall have the right in its sole discretion, but not the obligation, to include telephone service within the package of services provided to the community and only by the use of infrastructure located in publicly dedicated rights of way.
4. We acknowledge and understand that the delivery of cable, telephone security and internet services by ResTel under the Agreement may be by any generally acceptable technology in accordance with industry standards, which may differ from the current Litestream technology. Specifically, we agree that the use of coaxial cable and cable modems is acceptable and complies with the terms of the Agreement.
5. These acknowledgements are given on the understanding that ResTel will provide acceptable services that are in accordance with the agreement.

Sincerely,

**Hutson Companies, LLC**

  
\_\_\_\_\_  
Erik H. Wilson

Johns Creek, LLC  
3020 Hartley Road, Suite 100  
Jacksonville, Florida 32257  
May 7, 2004  
(904) 262-7718

Residential Telecom, L.L.C.  
Attn: Paul Rhodes  
500 Australian Avenue, Suite 120  
West Palm Beach, Florida 33401

Re: Estoppel Letter in connection with assignment of contracts with Litestream Technologies, LLC ("Litestream") to Residential Telecom, LLC ("ResTel")

Dear Mr. Rhodes:

We understand that ResTel was the successful bidder of Litestream's St. John's County assets in connection with the bankruptcy auction conducted on May 4, 2004. In connection with the purchase and sale of such assets, certain executory contracts are being assigned to ResTel, including that certain Single Family Preferred Provider Agreement, dated July 2, 2003 (the "Agreement"). Litestream and ResTel have requested that we make certain representations as the non-debtor parties to the Agreement in connection with the sale of assets. The undersigned acknowledge that ResTel is relying upon this Estoppel Letter to close the sale with Litestream.

This Estoppel Letter confirms the following:

1. We are not aware of any uncured default (other than sums that may be owed by Litestream), event of default, or breach that currently exists under the Agreement.
2. We acknowledge and consent to the assignment of the Agreement to ResTel provided it does not constitute a modification to the agreement except as described in this letter.
3. We acknowledge that ResTel shall have the right in its sole discretion, but not the obligation, to include telephone service within the package of services provided to the community and only by the use of infrastructure located in publicly dedicated rights of way.
4. We acknowledge and understand that the delivery of cable, telephone security and internet services by ResTel under the Agreement may be by any generally acceptable technology in accordance with industry standards, which may differ from the current Litestream technology. Specifically, we agree that the use of coaxial cable and cable modems is acceptable and complies with the terms of the Agreement.
5. These acknowledgements are given on the understanding that ResTel will provide acceptable services that are in accordance with the agreement.

Sincerely,

Johns Creek, LLC

  
\_\_\_\_\_  
Erik H. Wilson

May 21, 2004

Residential Telecom, L.L.C.  
Attn: Paul Rhodes  
500 Australian Avenue, Suite 120  
West Palm Beach, Florida 33401

Re: Estoppel Letter in connection with assignment of contracts of Litestream Technologies, LLC ("Litestream") to Residential Telecom, LLC ("ResTel") relating to Palencia in St. Augustine, St. Johns County, Florida

Dear Mr. Rhodes:

We understand that ResTel was the successful bidder of Litestream's St. John's County assets in connection with the bankruptcy auction conducted on May 4, 2004. In connection with the purchase and sale of such assets, certain executory contracts are being assigned to ResTel, including (i) that certain Broadband Installation and Service Agreement, dated May 28, 2002 between Litestream and Palencia Property Owners Association of St. John's County, Inc. (the "Broadband Agreement") and (ii) the Telecommunications and Network Services and Joint Marketing Agreement, dated May 28, 2002, between Litestream and Marshall Creek, Ltd. (the "Marketing Agreement"). ResTel has requested that we make certain certifications as the non-debtor parties to the Broadband Agreement and the Marketing Agreement (collectively, the "Agreements") in connection with the sale of the assets of Litestream to ResTel. The undersigned acknowledge that ResTel is relying upon this Estoppel Letter to close the sale with Litestream.

Subject to the conditions and qualifications set forth below, this Estoppel Letter confirms the following:

1. To actual knowledge of the undersigned, upon the occurrence of the events set forth in Exhibit "A" attached hereto there will be no any uncured default, event of default, or breach that currently exists under either of the Agreements.
2. We acknowledge and consent to the assignment of the Agreements to ResTel; provided, however, that such acknowledgement and consent is not effective unless there occurs, and is conditioned upon, (i) the assignment of both of the Agreements to ResTel and (ii) the assumption by ResTel of all the duties and obligations of Litestream under both of the Agreements.
3. We acknowledge that ResTel shall have the right, in its sole discretion, but not the obligation, to include telephone service within the package of services provided

MAY 21 2004 2:28PM

SENT BY HINES INTERESTS

NO. 7746 P. 5

Residential Telecom, L.L.C.

Attn: Paul Rhodes

Page 2

under the Agreements, provided, however, that such acknowledgement is conditioned upon the following: (i) there shall be no charge to any person or entity currently using telephone service provided by Lifestream upon the transfer of service to ResTel, (ii) if ResTel discontinues provision of telephone service, all existing residents of Palencia that are then currently using telephone service provided under the Agreements shall be notified at least ninety (90) days in advance of the discontinuation of such service and provided with a list (containing contact telephone numbers) of alternate providers of telephone service and (iii) if ResTel discontinues provision of telephone service, ResTel shall reimburse to the undersigned all costs and expenses incurred by it in connection with the change in telephone service from the service required to be provided under Section 2F(a) of the Marketing Agreement, including (without limitation) line port charges to new exchange, change in marketing collateral, stationary, and expanded local area long distance rate adjustment; provided, however, that the aggregate amount of such reimbursement shall not exceed \$5,000.

4. We acknowledge and understand that the delivery of cable, telephone security and internet services by ResTel under the Agreements may be by any generally acceptable technology (which may differ from the current Lifestream technology), including use of coaxial cable and cable modems; provided, however, that such acknowledgement is conditioned upon the following: (i) in all events the content and quality of the services required to be provided under the Agreements shall not be diminished or impaired and (ii) such other technology must comply at all times with the requirements of Sections 2.3, 2.5 and 2.6 of the Broadband Agreement.
5. We acknowledge and agree that the sixth sentence of Section 2.3 of the Broadband Agreement be deleted and replaced to read as follows: "Each homeowner shall be allowed to connect up to five computers or internet appliances to the Internet." Such agreement is given, however, upon the condition that ResTel continue to provide to the sales office, the clubhouse and the golf operations center at the Palencia development the current static (non-varying) IP addresses in use at each location, which may be increased to five such addresses at each such location.
6. The foregoing acknowledgments are given with the understanding and on the condition that, except to the extent otherwise expressly provided in this Estoppel Letter, all terms and provisions of the Agreements shall remain in full force and effect and the undersigned shall not be deemed to have waived any, and shall henceforth insist on the full and complete performance of, all terms and provisions of the Agreements (including, without limitation, all requirements of Sections 4 and 6 of the Broadband Agreement and the occurrence of the events listed on Exhibit "A" hereto).



Residential Telecom, L.L.C.


Attn: Paul Rhodes

Page 3

Sincerely,

PALENCA PROPERTY OWNERS ASSOCIATION  
OF ST. JOHNS COUNTY, INC.

By:

  
Michael T. Harrison

Its President

MARSHALL CREEK, LTD.,  
a Florida limited partnership

By:

Hines/Marshall Creek, Ltd.,  
a Florida limited partnership,  
its sole general partner

By:

Hines Management, L.L.C.,  
a Delaware limited liability company,  
its sole general partner


By:

Hines Interests Limited Partnership,  
a Delaware limited partnership,  
its sole member

By:

Hines Holdings, Inc.,  
a Texas corporation,  
its sole general partner

By:

  
Name: MICHAEL T. HARRISON

Title: Sr. V.P.

Residential Telccom, L.L.C.  
Attn: Paul Rhodes  
Page 4

ACCEPTED AND AGREED TO  
THIS 21 DAY OF MAY, 2004

RESIDENTIAL TELECOM, LLC

By: \_\_\_\_\_  
Title: Manoj Khera

EXHIBIT "A"

1. The bond required to be maintained by Litestream under Section 3.4 of the Broadband Agreement has lapsed, is no longer being maintained and must be replaced within thirty (30) days of the sale of the Litestream assets to ResTel.
2. The payment of an Access Fee in the amount of \$96,850 (\$325 x 298 units) is due and payable under Section 4A of the Marketing Agreement and shall be paid by Litestream upon the closing of the sale of the Litestream assets to ResTel.
3. The assignment of the Agreements by Litestream to ResTel and the assumption by ResTel of the Agreements upon the closing of the sale of the Litestream assets to ResTel.

**SELLER'S CLOSING STATEMENT**

**BUYER :** Litestream Holdings, LLC

**SELLER:** Litestream Technologies, LLC  
Debtor-in-Possession

**DATE:** May 21, 2004

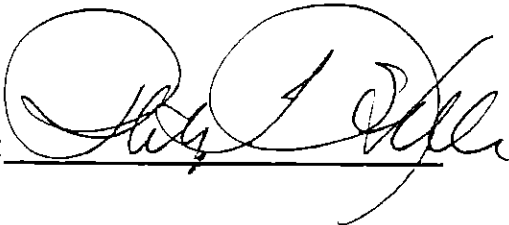
**Due Seller:**

Purchase Price	\$ 1,370,000.00
Amount in escrow	\$ 137,000.00
Less proration for May billings	\$ 23,669.00
Less proration for 2004 property taxes	\$ 26,488.96
Plus proration for service through end of month	\$ 10,333.33
Cash to be paid at closing	\$ 1,193,175.37

**Total Due to Seller at Closing** \$1,330,175.37

**READ AND AGREED TO BY SELLER:**

By: \_\_\_\_\_



**Lifestream Technologies, LLC  
Default Cure Payments**

<u>Pavee</u>	<u>Date of Check</u>	<u>Trust Check No.</u>	<u>Amount</u>
Sunshine Network	05/21/04		\$3,974.00
4Com	05/21/04		127.79
IN Demand, LLC	05/21/04		500.00
Lifetime	05/21/04		421.05
USA Cable	05/21/04		343.94
Sportschannel Florida	05/21/04		1,509.24
TV Guide Channel	05/21/04		1,390.20
TV Guide Digital	05/21/04		657.40
Verizon	05/21/04		1,365.00
Verizon	05/21/04		7,566.53
Verizon	05/21/04		1,738.47
Rover / Expedius	05/21/04		2,938.71
Tampa Electric	05/21/04		7,155.70
Massergy	05/21/04		4,620.30
Intrado	05/21/04		1,500.00
JSI	05/21/04		151.05
Bell South	05/21/04		13,099.10
Bell South	05/21/04		2,726.72
Security Associates International	05/21/04		1,383.65
GE Capital	05/21/04		7,000.13
Withlacochee River Electric	05/21/04		2,020.72
Superconnect	05/21/04		8,885.24
Mid America Computing	05/21/04		1,399.47
Marshall Creek Ltd.	05/21/04		96,850.00
Stonehurst Plantation, Inc.	05/21/04		47,400.00
<b>Total</b>			<b>\$216,724.41</b>

**Paul Rhodes**  
500 Australian Ave South, Suite 120  
West Palm Beach, FL 33401

Brief Resume

2000 – Present      **Princeton Homes**

President of Princeton Homes, Inc. Production homebuilder in the Treasure Coast. Obtains financing, oversees sales and construction. Princeton Homes owns Princeton Mortgage, Inc. 2004: Sales approximately \$50,000.00.

2000 – Present      **Residential Telecom**

A Princeton Homes cable agreement serving the St. James Golf Club Community.

1994-Present      **St. James Golf Club**

Developer of St. James Golf Club, a 709-unit, 435-acre PUD in Port St. Lucie with an 18-hole public-play golf course. Formed and managed limited partnership involved in purchasing land, permitting land as a PUD, obtaining development financing, selling portions to WCI Communities, Centex, Centerline Homes, Princeton Homes.

1996 – Present      **St. Andrews Park**

Developer of St. Andrews Park, a 160-acre mixed-use development master planned commercial, office and multi-family development. Purchased property and permitted land as a PUD, sold portions to a Publix developer, apartment developer and church. Overseeing sale of balance of land.

1984 – Present      **Rhodes Holdings**

Numerous affiliations, Land Acquisition, Investment, & Land Development:

## **Biography of Philip L. Holdbrooks, President, Litestream Holdings, LLC**

Mr. Philip Holdbrooks served as CEO of Litestream Technologies, LLC from March 2002 to May 2004. He was chosen as the company's President in November 2003. In June of 2001, Mr. Holdbrooks was named Managing Director and served a two-year term. Litestream constructs and operates turnkey broadband telecommunications systems, offering video, voice, data, and alarm monitoring services to homeowners.

On January 1, 2001, Mr. Holdbrooks was named Vice President of Sales and Marketing for TECO Partners, an energy related sales and marketing company. TECO Partners is part of the TECO Energy family of companies that include the third largest electric provider in the state, a nationally recognized energy services company and the country's largest river based transportation company.

Prior to his association with TECO Partners, Holdbrooks served as Vice President of Sales and Marketing of TECO Peoples Gas, the state of Florida's largest Natural Gas Company located in Tampa. He oversaw five primary business units that encompassed over 200 communities and the majority of the largest metropolitan cities in the state.

Phil joined Peoples gas in October 1998, as the regional Manager of Operations for the Tampa Bay region that spans some seven counties on the western portion of the state. Prior to accepting that position, Phil was Regional Sales Director for American Meter Company, Las Vegas, Nevada. Phil's primary area of responsibility included providing utility related products and services, manufactured and supplied by American Meter, to a territory that included the western half of the United States.

Phil received a Bachelor of Science Degree in Industrial and System Engineering from the Georgia Institute of Technology in Atlanta.

**Litestream Holdings, LLC**  
**Operating Summary**  
**June 2004**

Number of Subscribers (May, 2004)	845
Number of Subscribers Under Contract at BuildOut	4700

**Employees by Category**

Total Number of Employees	11
Customer Service	3
Technical and Operations	6
Management	2
After hours call center 24x7 year-round	
Current CSR to Subscriber Ratio	1 to 280

**Subdivisions served or under Agreement**

Palencia  
St. John's Golf and Country Club  
Stonehurst  
St. John's Forest  
John's Creek  
Wingfield Glen  
The Oaks

**Services Offered** (see attached literature)

77 channel basic package  
2 digital tiers  
Multiplexed premium tier  
High speed internet (Ethernet)  
Local telephone (CLEC license)  
Security Monitoring

**Technical**

Architecture: Fiber to the Home/Fiber to the Curb	
750 mhz minimum bandwidth	
Miles of Fiber (present)	40
Miles of Fiber to be constructed	30
Optical Network Units located with 300 feet of home	
"Category 5" wiring for Ethernet separately installed	



## **Planned Improvements**

Establishment of local office by end of September 2004

New on-line customer interface

Voice-over IP

Video on-demand

HDTV

Direct competition with other service providers in Kensington and additional new subdivisions.

Exhibit C

**MACFARLANE FERGUSON & McMULLEN**

ATTORNEYS AND COUNSELORS AT LAW

1501 SOUTH FLORIDA AVENUE  
LAKELAND, FLORIDA 33803  
(863) 660-9908 FAX (863) 663-2549

400 NORTH TAMPA STREET, SUITE 2300  
P. O. BOX 1531 (ZIP 33601)  
TAMPA, FLORIDA 33602  
(813) 273-4200 FAX (813) 273-4396

www.mfmlegal.com  
EMAIL: info@mfmlegal.com

625 COURT STREET  
P. O. BOX 1669 (ZIP 33757)  
CLEARWATER, FLORIDA 33756  
(727) 441-8966 FAX (727) 442-8470

IN REPLY REFER TO:

**Tampa**  
**ptl@macfar.com**

June 29, 2004

**BY FEDERAL EXPRESS**

Michael Hunt, Esquire  
Office of the County Attorney  
St. Johns County, Florida  
4020 Lewis Speedway  
St. Augustine, FL 32802

JUL - 1 2004

Re: Litestream Technologies, LLC

Dear Mr. Hunt:

As you may remember from an earlier telephone conversation, this law firm is bankruptcy counsel to Litestream Technologies, LLC, under the case pending in the Middle District of Florida (8:04-bk-03721-KRM). Recently, while speaking with David Reid on the subject of the transfer of the cable franchise from the Debtor to the successful purchaser at the bankruptcy auction, he informed me that the Board of County Commissioners for St. Johns County had apparently not been notified in May of 2003, when American Capital Corporation had acquired a controlling interest in the company. Mr. Reid indicated to me that the Board of County Commissioners is supposed to be notified whenever there is a change in control of the company, or a sale of the assets. I do not know if this was not fully understood by the people running Litestream Technologies at that time, or if they merely forgot the conditions which will trigger the obligation to give notice. Please accept our apologies for not independently investigating the terms of the franchise agreement.

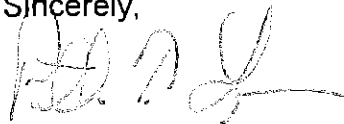
By way of information, the transaction in May, 2003 consisted of bringing American Capital Corporation into Litestream Technologies as an additional investor. The money which was invested by American Capital Corporation, or agreed to be invested, was not used to retire debt or to pay off any existing investors, but was earmarked solely for funding the expansion of the fiber optic cable system in Pasco County and St. Johns County. American Capital Corporation received membership units for 51% of the company, and had already invested \$5.5 million as of the date that the involuntary bankruptcy petition was filed. An additional \$4.5 million is still owed to

Michael Hunt, Esquire  
June 29, 2004  
Page 2

Litestream Technologies under the original Promissory Note. Unfortunately, it was the decision of American Capital Corporation to cease making payments under its Promissory Note which indirectly led to the bankruptcy, and to the auction authorized by the Bankruptcy Court. However, you may be assured that the sale agreement with American Capital Corporation was undertaken in order to allow Litestream Technologies to continue building the network needed to service St. Johns County residents, and did not alter or affect the franchise agreement. I would like to respectfully request that St. Johns County waive any penalties or interest which may be associated with the oversight, due to the afore mentioned inadvertence, and because the oversight did not result in any gain to the franchisee or expose any other party to any loss.

Again, please accept my apologies that the Board of County Commissioners for St. Johns County, Florida had not been previously advised of the change in ownership which, unfortunately, led to the bankruptcy filing. Should you have any questions or comments, please do not hesitate to contact me at 813/273-4360.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick T. Lennon", written in a cursive style.

Patrick T. Lennon

PTL/sp  
cc: Litestream Technologies, LLC

Date	Check#:	Amount
5/21/04	1320	\$1,193,175.37

Macfarlane Ferguson McMullen Trust Account  
 Res. Com/Litestream (Horan/1838)  
 Closing  
 21389-124341

**AKERMAN SENTERFITT**  
 ATTORNEYS AT LAW  
 TRUST ACCOUNT  
 PO BOX 3273  
 TAMPA, FL 33601-3273

WACHOVIA BANK, N.A.  
 63-751-631

1320

DATE	AMOUNT
5/21/04	\$1,193,175.37

ONE-MILLION ONE-HUNDRED-NINETY-THREE-THOUSAND ONE-HUNDRED-SEVENTY-FIVE AND 37/100 DOLLARS

Macfarlane Ferguson McMullen Trust Account

VOID AFTER 90 DAYS

*Margaret J. Mathews*  
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*Phil P. Horan*  
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1320

Date	Check#:	Amount
5/21/04	1320	\$1,193,175.37

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