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WIRELESS CABLE & COMMUNICATIONS INC

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SIC: **4841** Cable & other pay television services

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U.S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-SBA
GENERAL FORM FOR REGISTRATION OF SECURITIES OF
SMALL BUSINESS ISSUERS
UNDER SECTION 12(b) or (g) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 000-21143

WIRELESS CABLE & COMMUNICATIONS, INC.
(Name of small business issuer in its charter)

Nevada
(State of incorporation) 87-0545056
(I.R.S. Employer
Identification No.)

102 West 500 South, Suite 320
Salt Lake City, Utah 84101
(801) 328-5618
(Address and telephone number of registrant's principal executive offices
and principal place of business)

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Common Shares, par value \$.01 per share
(Securities to be Registered Under Section 12(g) of the Act)

NOT APPLICABLE
(Name of each exchange on which each class is to be registered)

PART I

THE COMPANY

Overview of the Company's Business.

Business Operations. The Company is in the business of acquiring, developing and operating wireless cable television systems. The Company owns a non-operating wireless system comprised of four (4) channels and a leased transmitter tower in Park City, Utah, and owns a non-operating wireless system comprised of lease and license rights to a total of thirty (30) broadcast channels (consisting of ten 2.5 GHz and twenty 40 GHz channels) in Auckland, New Zealand. The Park City channels and tower rights are held through the Company's wholly-owned subsidiary, Transworld Wireless Television, Inc., a Nevada corporation ("TWTV Park City"), and the New Zealand channel rights are held through the Company's 94.9% owned subsidiary, Auckland Independent Television Services, Ltd., a New Zealand corporation ("AITS").

The Company's interests in AITS and TWTV Park City were formerly held

by Transworld Telecommunications, Inc. ("TTI"), a Pennsylvania corporation which is also in the business of acquiring, developing and operating wireless cable television systems. The Company was formed for the purpose of acquiring and continuing the operation of TTI's interest in AITS and TWTV Park City in connection with the separation by TTI of its business operation into two groups of business assets. See "The Company -- Overview of the Company's Business -- Business Development" below.

As discussed in more detail in the section entitled "Plan of Operation," below, and in the financial statements attached to this Registration Statement, the Company is a development stage enterprise. The Company does not currently have sufficient revenue to cover its operating costs and its current liabilities exceed its current assets. Although management is actively pursuing additional financing for the Company and has taken steps to improve its short terms and ongoing liquidity and cash flow, there can be no assurance that the Company will be able to acquire or obtain any such additional financing upon terms acceptable to the Company. The conditions raise doubt about the Company's ability to continue as a going concern.

Business Strategy. The Company believes that a wireless cable operation may successfully compete in the marketplace only where it provides a minimum number of channels of programming to potential subscribers. Because only a finite number of channels are authorized for each market area in the typical wireless cable broadcast waveband (generally 32 channels in each United States market and 12 channels in each New Zealand market in the 2.5 GHz range), the Company believes potential operators have historically been reluctant to enter market areas (including a significant number of the United States markets) where ownership of the licensing rights to channels in the market are either highly fragmented or where those licensing rights are held by only one or two holders. However, as a result of recent advancements in wireless cable technology which allow several programs to be carried in the amount of channel bandwidth where only one program traditionally was capable of being carried, the Company now believes it is possible to launch a commercially viable wireless cable operation with as few as 4 channels. By using this new technology, the Company believes the channel rights it currently holds (all of which are in non-operating systems) will provide it with channel capacity to provide the equivalent of up to 40 channels of programming in the Park City, Utah market area and several hundred channels of programming in the Auckland, New Zealand, area. The Company believes its current channel rights will be sufficient to develop commercially viable operating systems in each of those market areas. See "Overview of the Wireless Cable Industry -- Industry Trends."

The Company also believes that a substantial number of non-United States wireless cable markets present viable acquisition and/or development markets. The Company believes that many of these markets are in areas that are becoming increasingly urbanized, where there is only limited existing competition and where there is little or no governmental regulation of wireless cable television systems in comparison to that found in the United States.

Accordingly, the Company intends to focus its future business strategy on (i) the build-out and launch of its Park City, Utah and New Zealand systems, (ii) the acquisition of existing operating wireless cable systems both inside and outside of the United States, and (iii) the acquisition and development of groupings of channels in market areas both inside and outside of the United States that are not currently used to provide programming to subscribers. In each case, the Company intends to focus its efforts in markets where it believes the population density and terrain are conducive to economical transmission of wireless cable programming. The Company may also acquire groupings of channels

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in market areas that are not currently used to provide programming to subscribers or which do not represent prime development targets for the purpose of "warehousing" those channels for exchange or sale to third-parties attempting to develop operating systems.

The Company has developed a complex series of criteria which it will use to evaluate potential channel and system acquisitions. These criteria include wireless cable channel availability in the market in question, the existence of established groupings or blocks of channels in the market, the Company's ability to use compression technology in the market area to increase the volume of programming deliverable over any existing groupings of channels, the type of potential subscriber base in the market, existing competition, the type and extent of governmental regulation, topography, demographics and other factors.

Once the Company acquires or develops operating systems, it intends to focus its marketing efforts first on households in geographical areas within the system's coverage area not passed by traditional cable systems. The Company believes its marketing efforts will emphasize to potential subscribers the

Company's ability to provide them with programs that were previously unavailable to them, allowing higher market penetration and lower subscriber turnover. The Company's secondary market focus will be on households in the market which are passed by, but do not subscribe to, traditional cable systems. The balance of the Company's marketing efforts will be directed to households subscribing to traditional cable or other pay television systems.

The Company has also established a goal of maintaining high levels of customer satisfaction and service. The Company anticipates that its operating systems will operate under a decentralized management structure, which will allow each system to maximize its local presence in its market. The Company anticipates that each of the systems will be managed by a general manager, who will be responsible for the day-to-day operations of his respective system, and the maintenance of staffing and service procedures. The Company also anticipates that its operating systems will design and implement specific marketing programs in their respective markets based on local demand, general market characteristics and subscriber surveys. The Company does not anticipate that its operating systems will target all types of subscribers, but that each system will select and place marketing emphasis on those subscriber segments it believes has the most growth potential and will generate a loyal customer base with stable billings. The actual programming in each market will be tailored to meet the demographics of that market. To the extent possible, however, the Company intends to make major programming and equipment purchases and budgeting and strategy decisions at the Company level, rather than the operating system level.

The Company intends continuously to compile and analyze data regarding the buying behavior of potential subscribers in each of its market areas in order to refine its proposed marketing strategies. The Company's objective is to design marketing packages that will develop a loyal subscriber base with demographic and buyer characteristics consistent with the Company's intended programming, pricing programs and long-term business strategies. By maintaining market and service decisions at the system level, and major strategy, budgeting and purchase decisions at the Company level, the Company believes its systems will be able to compete more effectively with traditional cable operators and other pay television services.

Current Business and Market Areas. The Company holds channel rights in both the Park City, Utah and Auckland, New Zealand market areas. Currently, these channel rights are not part of any operating systems. Due to recent changes in wireless cable technology, however, the Company believes that these channel groupings are sufficient to launch commercially viable wireless cable television systems. The Company's Park City, Utah and Auckland, New Zealand license and channel rights are described in greater detail in the sections entitled "The Company's Property and Equipment" and "Plan of Operation," below.

o The Park City Market. Currently, there is no competing wireless cable system in the Park City, Utah area, although TCI operates a traditional cable system in the area. The Company estimates that, once its Park City system is launched, its basic wireless cable service (consisting of approximately 30 channels of programming assuming the use of digital compression) will cost approximately \$19.95 per month. In contrast, the typical, basic traditional cable package (consisting of 32 channels of programming) provided by TCI is currently approximately \$21.95 per month.

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The Park City, Utah area had a total population of approximately 4,468 in 1990, in comparison to 2,883 in 1980. The corresponding figures for Summit County, Utah (the area in which Park City, Utah is located) are 15,810 and 10,200, respectively. The Company estimates that there are approximately 7,500 households in the Park City, Utah area, of which the Company believes 6,750 households are serviceable and, of those homes, approximately 1,620 homes are currently not passed by cable.

The Company anticipates that it will begin the build-out of its Park City system in 1997, and that it will launch its subscriber drive at that time. The Company further anticipates that its Park City, Utah system will have approximately 1,100 subscribers by the first anniversary of the launch of the system.

o Auckland, New Zealand Market. There are no competing wireless cable systems in Auckland, New Zealand, although the area now has a 5 channel wireless UHF system in operation which has approximately 200,000 subscribers. The Company estimates that, once the Auckland, New Zealand system is launched, its basic wireless cable service (consisting of approximately 22 channels of programming) will cost approximately \$27.00 per month. In contrast, the 5 channel wireless UHF system in operation in the Auckland area currently costs approximately \$32.00 per month.

The Auckland, New Zealand area had a total population of approximately 950,000 in 1995. The area is the largest television market in New Zealand, and the Company estimates that, of the approximately 320,000 total households in the service area, approximately 275,000 of those homes are serviceable and, of those homes, approximately 270,000 homes are not passed by cable.

The Company anticipates that it will begin the build-out of the Auckland, New Zealand market in 1997, and that it will launch its subscriber drive in late 1997. See Liquidity and Capital Resources. The Company further anticipates that its Auckland, New Zealand system could have between 5,000 and 10,000 subscribers by the end of 1997, and between 55,000 and 65,000 subscribers by the end of the fifth year of operation.

o Future Business and Market Areas. The Company is currently pursuing additional wireless cable license, lease and operating rights in a number of foreign countries primarily in Central and South America. There can be no assurance that the Company will be able to secure any such license, lease or operating rights.

In November, 1996, the Company entered into an agreement to acquire a controlling interest in Viva Vision, S.A., a Venezuelan corporation which has rights to commercialize a license in the 28 GHz range, and pursuant to a separate agreement has acquired (through December 30, 1996) a 4.4% interest in the voting capital stock of Comunicaciones Centurion, S.A., the company that holds the license rights for the 28 GHz frequencies ("Centurion") in exchange for the payment of \$440,000. The Company has the obligation to acquire an additional 3.1% of Centurion for an additional payment of \$310,000, and has the right, but not the obligation, to acquire an additional 4.03% of Centurion under existing Venezuelan law (for a total interest of 11.53%) for an additional \$403,000. The Company estimates that the Venezuela system, once fully constructed, would be able to service approximately 700,000 line-of-site homes in the Caracas area and approximately 1,170,000 homes outside the Caracas area.

Business Development. The Company was formed for the purpose of continuing the development of certain business assets formerly held by TTI. TTI is also in the wireless cable television industry and, through its joint venture entity, Wireless Holdings, Inc., a Delaware corporation ("WHI"), owns operating wireless cable systems in Spokane, Washington and San Francisco Bay, California and non-operating wireless systems or channel lease rights in Seattle, Washington, the San Diego and Victorville areas of California, and Greenville, South Carolina (the "WHI Systems"). TTI also owns a 20% interest in an operating wireless cable system located in Tampa Bay, Florida ("Tampa Bay"), and, prior to the formation of the Company, owned the Company's interest in TWTV Park City and AITS. The WHI Systems and Tampa Bay have approximately 35,000 subscribers.

On July 26, 1995, the Board of Directors of TTI voted to separate its business operations into two groups of business assets in order to facilitate TTI's ongoing business plans. The first group of business assets consisted of TTI's interest in the WHI Systems and Tampa Bay. The second group of business assets included TTI's interests in TWTV Park City and AITS. Under the terms of the business separation (the "Separation"), TTI agreed to form a new corporation

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to hold the separated business operations, and the stock of that corporation was then to be distributed to TTI's shareholders.

In order to complete the Separation, the Company was incorporated on July 31, 1995, and on August 1, 1995, it issued 3,500,000 shares of its common stock, par value \$.01 per share, to TTI in exchange for TTI's interest in AITS, TWTV Park City and certain other miscellaneous assets. TTI immediately transferred the shares in the Company to an escrow agent, Fidelity Transfer Company of Salt Lake City, Utah, to be held for the benefit of TTI's shareholders of record on August 1, 1995. The distribution of the 3,500,000 shares to TTI's shareholders will be delayed until the Company and TTI have complied with certain requirements of the federal securities laws, including the registration of the Company's shares pursuant to this Registration Statement under the Securities Exchange Act of 1934, as amended (the "Act"). The 3,500,000 shares will then be distributed to TTI shareholders of record as of August 1, 1995, on a non-pro rata basis, with the management and principal shareholder of TTI relinquishing a portion of their shares in the Company in favor of the TTI public shareholders. In general, the public shareholders will receive approximately 1.6 shares of the Company's common stock for each 10 shares of TTI common stock they held on August 1, 1995. If, for any reason (including the Company's failure to register the shares pursuant to this Registration Statement or otherwise meet the requirements of the Federal Securities laws with respect to the distribution of the shares from the escrow), the shares could not be distributed from the escrow, they would have been returned to TTI.

Principal Office. The Company's principal executive office and principal place of business is at 102 West 500 South, Suite 320, Salt Lake City,

Overview of the Wireless Cable Industry.

General. Wireless cable systems use microwave radio frequencies licensed by governmental agencies to provide multiple channel television programming services similar to that offered by traditional cable systems. The radio frequencies used in such systems are typically in the 2.5 GHz band, although other wavebands (such as 18, 28 or 40 GHz) may be used. The microwave signals are transmitted over the air from a transmission tower (a "head-end") to an antenna at each subscriber's home, eliminating the need for the networks of cable and amplifiers utilized by traditional cable operators. Because of the relatively simplified engineering and construction techniques required to build-out a wireless cable system, systems typically can be completed in as little as 120 days, whereas construction of a traditional cable system with a comparable coverage area may take as long as 3 to 4 years.

The Company believes wireless cable is one of the most economical technologies currently available for the delivery of pay television service. Wireless cable systems do not require extensive networks of cable and amplifiers, so the capital cost per installed wireless subscriber is generally lower than for a traditional cable operator. The Company believes this cost advantage generally allows wireless cable operators to provide programming to subscribers at a lower cost. The Company believes wireless cable will continue to maintain this cost advantage, even following the deployment of fiber optics, direct broadcast satellite and other microwave-based emerging technologies. See "Overview of the Wireless Cable Industry -- Competition."

To the subscriber, a wireless cable system operates in the same manner as a traditional cable system. At the subscriber's location, microwave signals are received by an antenna and are passed through conventional coaxial cable to a descrambling converter located near the subscriber's television set. However, because wireless signals are transmitted over the air, rather than through underground or above-ground cable networks, the Company believes wireless systems are less susceptible to outages and are less expensive to operate and maintain than traditional cable systems. In contrast to traditional cable systems, most service problems experienced by wireless cable subscribers are home-specific, rather than neighborhood-wide problems.

A typical wireless cable system consists of the head-end equipment (generally, satellite signal reception equipment, radio transmitters, and transmission antennas) and reception equipment at each subscriber's location (generally, an antenna, frequency conversion device and a set top device). Like traditional cable operators, wireless cable operators generally are able to offer a full range of basic and premium programming options, including local off-air and on-air channels, movie channels, music channels, news and sports channels and specialized programming.

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Wireless cable systems using the 2.5 GHz format typically transmit signals over distances of 20 to 40 miles from the head-end and, with an increase in transmission power or tower height, may expand the coverage area to approximately 40 or 50 miles. Transmission ranges for other wireless cable frequencies, such as 28 GHz, are shorter, and amplifiers or repeaters are typically used to increase the range of each system to ranges comparable to those achieved with 2.5 GHz systems.

The transmission of wireless frequencies requires a clear "line-of-sight" between the transmitter and the receiving antenna. Buildings, dense foliage or hilly terrain can cause signal interferences which can diminish or block signals. These line-of-sight constraints can be eliminated by increasing the transmission power of the system and/or by using engineering techniques such as pre-amplifiers, beam benders(TM) and signal repeaters, but these techniques generally increase the cost of delivering programming to subscribers.

Because wireless cable systems use high gain antennas at the subscriber end, ghosting and reflection are generally minimized, so picture quality typically exceeds that of a traditional cable picture. Further, wireless cable systems typically broadcast their programming at a wavelength that is long in relationship to the size of rain drops, hail or snow, but is short in comparison to interference normally caused by electrical utility currents and motors. For example, the wavelength of 2.5 GHz systems is approximately 2.8 inches. As a result, wireless cable transmissions are usually not affected by weather or electrical interference. However, in traditional cable systems the programming signal tends to decline in strength as it travels along the cables and must be boosted by trunk and feeder amplifiers. Each amplifier introduces some distortion into the television signal. By contrast, wireless cable systems use only two principal pieces of equipment -- a transmitter and a receiving antenna.

Like traditional cable systems, wireless cable systems are capable of employing "addressable" subscriber authorization technology, which enables the system operator to control centrally the programming available to each subscriber without the need for a service call to the subscriber's home.

The Company's channel rights in the Auckland market consists of both 2.5 GHz channels ("MMDS" channels), as described above, and 40 GHz channels. The 40 GHz channels operate similarly to the MMDS channels, but at a higher frequency. Forty GHz channels are now being utilized in parts of Europe and are generally considered to be alternative to 28 GHz systems. At present, equipment costs for 40 GHz systems are marginally higher than other types of systems, but 40 GHz systems use smaller antennas.

Industry Trends. The Company's business will be affected by industry trends and, in order to acquire, maintain and increase its potential subscriber base, the Company will need to adapt rapidly and modify its practices to remain competitive. The Company believes that the industry trends affecting the wireless cable industry include the following:

- o Compression. Several equipment manufacturers have developed digital compression devices. These devices allow several programs to be carried within the microwave transmission bandwidth that typically carried only one program. Various experts have estimated that compression ratios as high as 10 to 1 are possible, allowing operators to provide the equivalent of hundreds of channels of programming on wireless cable systems. Currently, digital compression systems are in operation in commercial systems (such as TTI's Tampa Bay system) which provide compression ratios of as high as 8 to 1.

The Company believes the typical subscriber may not use, or want to pay for, the substantial increases in programming channel capacity available through the application of compression technology. As a result, even though compression may allow wireless cable operators to expand their programming capacity significantly, the Company believes that increased capacity may not result in either a substantial increase in a wireless cable operator's subscriber base or a substantial increase in the actual amount of programming provided by a wireless cable operator. Instead, the Company believes that compression technology may have its most important impact in the number of operators entering the wireless cable market, since, by using compression technology, wireless cable operators with rights to use as few as 3 or 4 channels may be able to provide the equivalent of up to 30 or 40 channels of programming.

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- o Pay-per-view services. In recent years, the cable television industry has developed services that enable customers to order and pay for individually selected programs. This type of service, which is known as "pay-per-view", has been generally successful for specialty events such as concerts and sporting events. The cable industry has also been promoting the pay-per-view concept for purchases of movies, with the intent of competing directly with video rental stores and movie theaters. The Company believes pay-per-view services will become increasingly popular as additional exclusive events become available for distribution on pay-per-view channels.

In order for subscribers to purchase the right to view pay-per-view events, they must have addressable converters, which allow the cable company to convert what the subscriber watches without having to visit the subscriber's residence to change equipment. The Company anticipates that its converters will be addressable, allowing subscribers to receive pay-per-view programming. Pay-per-view services are generally subscribed for by having the subscriber use a telephone line to order the event. Certain cable operators have made efforts to increase the use of pay-per-view services by installing "impulse" devices which make it easier for subscribers to select programming and which do not require a telephone link to order the program in question. The Company may utilize "impulse" devices on its converters.

- o Interactivity. Several cable operators have recently publicized their intention to develop services that allow subscribers to interact with the wireless cable company. These systems allow the wireless cable provider to offer features not generally available to television viewers, including the ability to choose among different camera angles, take part in game shows, and even choose particular types of commercial messages among the various types offered by advertisers. These interactive services could also provide customers with the ability to choose various types of home shopping and information shows. The Company anticipates that it will offer interactive services in its systems when they become available on a commercially reasonable basis.

- o Advertising. Most advertising on wireless and traditional

cable television systems has been sold by program suppliers, which sell national advertising time as part of the signal they deliver to the cable operators. Recently, however, advertisers have begun placing advertisements on channels dedicated exclusively to advertising, as well as in the "local available time" set aside by program suppliers for insertions of advertisements sold by local cable operators. Use of local available time requires automatic "spot insertion" equipment, which the Company expects to utilize in its systems when it becomes economically prudent to do so.

Competition. The Company believes its primary competition will be from traditional cable operators. The technology used by such operators is a co-axial cable system that transmits signals from a head-end, delivering local and satellite delivered programming via a distribution network consisting of amplifiers, cable and other components to subscribers. Regular system maintenance is necessary due to water ingress, weather changes and other equipment problems, all of which may affect the quality of the signal delivered by the cable company to its subscribers. Traditional cable systems also typically cost more to build and maintain than wireless cable systems. Although the Company believes the head-end equipment cost of its systems will be comparable to those for traditional cable systems, it also believes the installation of co-axial cable and amplifiers would be considerably more costly to traditional cable operators than is the installation by the Company of its reception antennas and related equipment. Currently, TCI operates a traditional cable system in the Company's Park City market. No traditional cable system currently operates in the Auckland, New Zealand market area, although other areas of New Zealand are serviced by a few small traditional cable operators that have a subscriber base which the Company believes is, in the aggregate, less than 10,000.

Several technologies are currently under development which may significantly affect the pay television industry and result in new competitors entering into the market. The Company cannot predict the competitive impact of these new technologies and competitors on the wireless cable industry. The Company expects, however, that wireless cable operators will be able to expand their programming capacity and introduce new services, while continuing to maintain a cost advantage over the other providers of pay television services. The Company intends to exploit its comparative cost advantage by targeting a value-conscious subscriber base that may be unwilling to pay for more costly, specialized programming.

The technologies which may significantly impact upon the competitive nature of the wireless cable industry include the following:

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- o Fiber optics systems, digital compression and interactive services. Traditional cable systems have historically been the principal providers of pay television services. The maximum number of programming channels offered by traditional cable systems has been limited, however, by the current analog transmission and co-axial cable technologies. A number of new technologies are under various stages of development to increase the channel capacity of these systems. These new developments include the replacement of traditional cable system co-axial cable networks with fiber optic matrices and the use of digital techniques to compress more programming signals onto existing co-axial cable or other networks.

The Company believes that the programming capacity of its wireless cable systems, including the channel rights it holds through TWTV Park City and AITS, may be substantially increased through the application of compression technology. Depending upon the technology used, experts believe wireless cable systems may be capable of transmitting up to 300 channels of programming. See "Overview of the Wireless Cable Industry -- Industry Trends" and "The Company's Property and Equipment." The Company believes that the application of compression technology may tend to increase the potential number of wireless cable system operators by reducing the minimum number of channels necessary for a commercially viable system from between 20 and 25 channels to as few as 3 or 4 channels.

The Company also expects that digital technology will enable wireless cable systems to transmit high definition television signals. Subject to the various governmental agencies adopting rules governing the transmission of digital signals, the Company anticipates that the wireless industry (and the traditional cable industry) will have commercial access to compression technology on a wide-spread basis in the near future. The introduction of expanded channel capacity and interactive services by traditional cable systems will require substantial new investment.

- o Telephone Company Competition. A number of telephone companies have developed technology capable of providing audio/video services over telephone lines ("video dial tone" service). In the United States, the

Federal Communications Commission ("FCC") recently adopted new regulations permitting local telephone companies to provide video dial tone service in their telephone franchise areas on a common carrier basis and to otherwise compete with wireless cable operators. The competitive effect of the entry of telephone companies into the pay television business is still uncertain, although the Company believes that wireless cable systems will continue to maintain a cost advantage over video dial tone service technologies. In the United States, telephone companies are currently permitted to operate traditional cable systems in areas outside their telephone service areas and also are permitted to offer pay telephone services inside their franchise areas under certain conditions under the 1996 Act, as described below. In the United States, several large telephone companies have announced plans either to enhance their existing distribution plants to offer video dial tone service or to construct new distribution plants in conjunction with local cable operators to offer video dial tone service. Currently, no telephone company offers video dial tone service in the Company's Park City or New Zealand markets. A telephone company in New Zealand currently owns and operates a small traditional cable operation in New Zealand in the Wellington, not Auckland, area.

A number of telephone companies have recently acquired or made substantial investments in wireless cable operations. The competitive effect of these acquisitions and investments is uncertain.

o Satellite Systems. "Backyard dish" or "direct-to-home" ("DTH") antenna distributors using satellites to beam in programming offer customers access to programming similar to that offered by traditional cable operators. The primary advantages of wireless cable systems over DTH systems are lower equipment costs and broader availability of local programming. A conventional DTH antenna system costs approximately \$1,000 to \$3,000 per subscriber, depending on the features of the system, plus monthly fees for access to certain programming. DTH systems typically cannot receive local off-air broadcast channels, however, so DTH subscribers generally are not able to watch local news, weather or sports programs. DTH programs, on the other hand, enjoy the advantages of access to a wider variety of satellite programming, generally superior reception and the ability to service areas not serviceable by traditional or wireless cable systems.

Several companies have recently begun orbiting high-powered transmission satellites to distribute high capacity programming to DTH antennas as small as 18" in diameter ("directed broadcasting satellite" or "DBS"). The cost of constructing and launching these new satellites is substantial, however, and DBS receiver equipment for a single television set is typically approximately \$700 per customer, plus installation fees and monthly subscriber

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fees for a descrambling unit. Due to the cost of the DBS satellites and receiving equipment, and because local programming cannot be received on a DBS system, the Company believes wireless cable systems will continue to enjoy a comparative cost and local programming advantage over these satellite systems.

o Other Microwave Systems. Frequencies other than those currently authorized for wireless cable operations may be used for the distribution of pay television services. Recently, the FCC in the United States proposed to relocate radio frequencies in the 28 GHz range of the electro-magnetic spectrum for use in the "cellular" pay television services. Because 28 GHz systems have relatively short broadcasting ranges, however, multiple cellular transmission sites will probably be required in order to cover a broadcast area typically covered by an MMDS wireless cable system. Also, many European countries and New Zealand have authorized pay television services to be carried in the 40 GHz range. As noted above, the Company holds a 40 GHz license in New Zealand, and Centurion, in which the Company holds a minority interest, holds a 40 GHz license in Venezuela.

o Private Cable Systems. Private cable systems also compete with wireless cable systems. Private cable systems are multiple channel television services offered through a wired plant. Private cable systems are similar to a traditional cable system, but they operate under agreements with private land owners to service specific multiple dwelling units. Private cable systems may be used in conjunction with wireless cable television operations. Because private cable systems may only be used to provide programming to multiple dwelling unit subscribers (such as hotels and large apartment complexes) the Company believes wireless cable systems still enjoy a competitive advantage over private cable only-systems.

Government Regulation. The use of the airways for microwave transmission is generally subject to government regulation. The amount, type and extent of that regulation varies from country to country. The following information summarizes certain government regulations affecting the Company's ability to operate its wireless cable television systems in the United States

and in New Zealand. The Company will also be required to meet the regulations governing microwave transmissions in any other jurisdictions in which it owns and operates any wireless cable system. These regulations may be similar to, or vastly different from, the regulatory structure described below.

o United States Regulation. The wireless cable industry in the United States is subject to regulation by the FCC under the provisions of the Communications Act of 1934 as amended (the "Communications Act"). Among other things, the FCC may issue, revoke, modify and renew new licenses within the spectrum available to wireless cable; approve the ownership of such licenses; determine the location of wireless cable systems; regulate the kind, configuration and operation of equipment used by a wireless cable systems; and impose certain employment opportunity requirements on wireless cable licensees. Under the 1984 Cable Act, wireless cable systems are not "cable systems" for purposes of the Communications Act. Accordingly, unlike a traditional cable system, a wireless cable system does not require a local government franchise and is subject to fewer local regulations. Moreover, all transmission and reception equipment associated with the wireless cable system can be located on private property, eliminating the need for utility poles or dedicated easements, which are required by traditional cable systems.

The FCC has authorized access for wireless cable service to a series of channel groups, consisting of channels specifically allocated for wireless cable (the "commercial" channels), and other channels originally authorized for educational purposes. Excess capacity on the educational channels can be leased by wireless cable providers. Currently, 33 channels are potentially available for licensing or lease by wireless cable companies in most markets. Up to 12 channels in a given market typically can be licensed by commercial operators for full-time commercial use. FCC rules generally prohibit the licensing or leasing of commercial channels and educational channels by traditional cable companies within their franchise areas.

Licenses have been issued for the majority of commercial channel frequencies in the major United States markets. In a number of markets, commercial channel and/or educational channel frequencies are still available. However, except as noted below, the eligibility for ownership of educational channel licenses is limited to accredited institutions, certain governmental organizations engaged in the formal education of enrolled students and other qualified entities ("qualified educational entities"). Non-local applicants must demonstrate that they have arranged with local educational entities to provide them with programming and that they have established a local programming committee.

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Of the 20 channels allocated for educational channel use in a given market, at least 12 must be licensed to qualified educational entities. Commercial applicants for educational channels must demonstrate that there are not commercial channels available for application, purchase or lease in lieu of the educational channels for which they apply. All wireless operators who hold licenses for "commercial" educational channels are required to provide 20 hours per week per channel of educational programming.

The FCC awards licenses to use commercial and educational channels based on applications demonstrating that the applicant is qualified to hold the license and that the operation of the proposed channel will not cause impermissible interference to other channels entitled to interference protection. Once a commercial license application is granted by the FCC, a conditional license is issued, allowing construction of the station to commence upon the satisfaction of certain specified conditions. Construction of commercial stations generally must be completed within one year of the grant of the conditional license. Construction of educational channels generally must be completed within 18 months of the award of the license. If construction is not completed in a timely manner, the license holder must file an extension application with the FCC. If the extension application is not filed or granted, the channel license is deemed canceled. Educational and commercial licenses generally have terms of 10 years.

The FCC has imposed "freezes" on the filing of applications and amendments to applications for new commercial channels and filings of applications for new educational channel facilities or, in some instances, major educational channel modifications. The freezes were intended to allow the FCC time to update its wireless cable database and to review and possibly modify its application rules related to those services. The freezes do not apply to the granting of licenses for which applications were filed prior to the freeze.

Recently, the FCC adopted a competitive bidding (i.e., auction) mechanism for the award of initial licenses for commercial channels. Auctions to award initial commercial licenses began on November 13, 1995. Successful bidders received a blanket authorization to serve entire basic trading areas ("BTAs"),

as defined by Rand McNally, on all commercial channels. The blanket authorization will be subject to the submission of applications for commercial channels demonstrating interference protection to the 35 mile radius protected service areas of commercial and educational stations licensed, or for which there is an application for a license pending as of September 15, 1995. A BTA license holder must show coverage of at least two-thirds of the BTA within 5 years of receiving the BTA authorization. A successful bidder for a BTA also is granted a right to match the final offer of any proposed lessee of an educational channel licensed or to be licensed in the BTA. This matching right applies only to new offers of lease channels and will not interfere with present education lease rights or the renewal of such rights. Educational licenses are exempt from the auction process and applications for educational licenses are expected to continue to be awarded according to the FCC's existing comparative criteria. The Company did not compete in the BTA auctions.

The United States Congress and the FCC have also recently begun to update the rules and laws governing traditional and wireless cable systems. For example, the FCC recently designated one of the wireless channels as a "return" channel allowing signals to be received as well as transmitted by wireless cable system operators. The Company believes this will allow the implementation and use of interactive systems.

In October of 1992, the United States Congress enacted the 1992 Cable Act. The 1992 Cable Act was intended to regulate pricing practices and competition within the franchise cable television industry and to establish and support existing and new competitive multi-channel video services such as wireless cable. The 1992 Cable Act and the FCC rules promulgated thereunder it contain a number of provisions that regulate the day to day operations of traditional cable companies, including: (i) limits on rates for basic levels of service, (ii) uniform pricing practices, (iii) compatibility of a cable company's in-home equipment (e.g. set top boxes) with subscriber's television sets and (iv) minimum customer service standards. In addition, certain levels of basic service offered by traditional cable companies may be subject to regulation if another multi-channel video provider in the market is not serving at least 15% of the households in the market and a formal complaint is being prosecuted by a local franchise authority before the FCC. The principal regulatory provisions of the 1992 Cable Act (including, specifically, the provisions regarding the regulation of rates) do not apply to wireless cable systems.

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While the 1992 Cable Act and its amendments had the intended effect of reducing prices charged by franchise cable companies in certain markets, the Company believes it will continue to maintain a price advantage over its franchise cable competitors. Moreover, the Company believes the uniform pricing provisions of the new legislation will limit the ability of franchise cable companies to lower their prices on a selective basis and in a given market in an effort to compete with the Company or other wireless providers.

The 1992 Cable Act also contains a number of provisions designed to enhance the ability of other paid television media (such as wireless cable) to compete with traditional cable companies. These provisions include: (i) a requirement that vertically integrated programming suppliers (such as those in which there is a 5% direct or indirect ownership by a franchise cable operator) provide access to programming to competing multi-channel video providers (such as wireless cable companies) on fair and reasonable terms, (ii) a provision permitting local broadcasters either to require carriage on their local cable systems or otherwise require traditional cable operators to compensate the broadcaster for retransmitting the broadcast or signal over the traditional cable company system, and (iii) restrictions on the size of traditional cable multi-system operators. The Company expects to benefit from the programming access provisions of the 1992 Cable Act in the form of access to previously unavailable programming material and reduced costs for certain programming materials. The retransmission consent provision of the 1992 Cable Act requires wireless cable companies to compensate broadcasters if the wireless cable operator elects to retransmit a local broadcast signal over the wireless cable system. The Company does not anticipate rebroadcasting local broadcast channels, although it may find it necessary to retransmit local broadcast channels in the future. The Company expects that the compensation paid to local broadcasters for the retransmission will not exceed amounts currently paid for comparable cable programming. Accordingly, the Company expects retransmission consent requirements not to have a material effect on the Company's proposed operational costs.

In early 1996, Congress passed the Telecommunications Act of 1996 (the "1996 Act"). The 1996 Act contains provisions for (i) opening up local exchange markets, (ii) updating and expanding telecommunications service guarantees, (iii) removing certain restrictions relating to AT&T former operating companies

resulting from the anti-trust consent decree issued by the federal courts in 1984, (iv) the entry of telephone companies into video services, (v) the entry of cable television operators into other telecommunications industries, (vi) changes in the rules for ownership of broadcasting and cable television operations, and (vii) changes in the regulations governing cable television. The 1996 Act is intended to improve competition among the various telecommunications services, although there can be no assurance that it will have that effect.

The 1996 Act provides the former AT&T operating companies and other telephone companies with the right to offer cable television service in their home territories under certain restrictions. The 1996 Act contains anti-buyout rules designed to discourage such telephone companies from simply purchasing the incumbent cable television operator as a means of entering into the video programming business.

The 1996 Act also prohibits local authorities (such as municipalities, zoning authorities and homeowner associations) from imposing rules on antenna placement that impair the user's ability to receive television programming, whether via satellite, wireless cable or over-the-air broadcast. Also, in regulating the siting of personal wireless facilities, states and localities cannot discriminate among service providers, directly or indirectly prohibit personal wireless services, delay action, avoid divulging their reasoning and evidence, or make decisions based upon considerations relating to radio frequency emissions if the facilities in question comply with FCC regulations on that subject.

The FCC is expected to issue extensive regulations relating to the 1996 Act. There can be no assurance that the 1996 Act or the regulations issued by the FCC will not have an adverse effect on the Company and its intended or proposed business operations within the United States.

o New Zealand Regulation. The regulation of multi-point multi-distribution licenses and 40 GHz licenses in New Zealand is governed by the Radio Communications Act of 1989 (the "New Zealand Act"). The New Zealand Act governs the licensing and regulation of radio equipment or licensing to authorize the transmission of radio waves. The New Zealand Act is administered by the Ministry of Commerce.

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The management rights for particular frequency bands are created by the Secretary of Commerce. Any manager granted particular frequency rights has the authority to create licenses to transmit radio waves on those frequencies. These licenses are granted in accordance with the provisions of the New Zealand Act, but the terms under which they are allocated are determined by the manager. Management rights and licenses are generally issued for long periods, sometimes for periods as long as 20 years. Management rights and licenses may be traded, and are deemed to be assets of a business for purposes of the Commerce Act of 1986, as well as the New Zealand anti-trust statutes. No written instrument dealing with the management rights or granting or transferring of any licenses has any effect until it is registered in accordance with the New Zealand Act.

Radio apparatus licensing is governed by the Radio Regulations of 1987, which were continued under the New Zealand Act, and which provide for the licensing of radio transmitting and receiving equipment. All radio apparatus licenses granted by the Ministry of Commerce are renewable annually.

o Other Forms of Regulation. Under the United States copyright laws, persons transmitting video programs must first secure permission from the copyright holder of those transmissions. Under Section 111 of the Copyright Act, certain "cable systems" are entitled to engage in the secondary transmission of programming without the prior permission of the holders of the copyrights if they first secure a compulsory copyright license. Compulsory licenses may be obtained by filing certain required reports and paying the fees set by the copyright royalty tribunal. Wireless cable operators typically rely on Section 111 of the Copyright Act in their broadcast operations. There can be no assurance, however, that Section 111 of the Copyright Act will not be amended or otherwise modified to prohibit or limit wireless cable company operators from obtaining compulsory copyright licenses.

THE COMPANY'S PROPERTY AND EQUIPMENT

Channel Rights and Broadcast Equipment.

TWTV Park City Channel Rights. TWTV Park City currently has rights to four licenses for channels in the Park City, Utah broadcast market. The licenses were issued by the FCC in 1995, expire in 2001, and are currently in the name of TWTV Park City. TWTV Park City and the Company anticipate they will file applications with the FCC for the transfer of the control of the licenses to the

Company. Each of the licenses is subject to renewal but, while such renewals generally have been granted by the FCC on a routine basis in the past, there can be no assurance that TWTV Park City's licenses will continue to be renewed routinely in the future. TWTV Park City's channels include the MDS-1 channel and the H1, H2 and H3 channels.

In addition to its channel rights, TWTV Park City holds both a lease for tower space and certain broadcast equipment. The tower lease requires payments of \$100 per year, is renewable annually, and is with Summit County. The tower is located at Query Mountain, near Park City.

TWTV Park City's equipment includes transmitters and related equipment for each of its H1, H2, H3 and MDS- 1 channels. Some of the equipment is leased from Bay Area Cablevision, Inc. The equipment lease, which began on July 1, 1995 (for an initial term of 6 months, which subsequently has been renewed through July 1, 1997), requires lease payments of \$400 per month. TWTV Park City may purchase the equipment for \$20,189.90 at any time during the lease. The Company believes the equipment lease will be renewable for additional 6 month terms on similar conditions.

The Company is currently reviewing various compression systems for use in its Park City system. The Company anticipates that it will need to acquire a total of four compression systems for the Park City system, one for each of its channels, in order to make the system commercially viable.

The Company estimates that the cost of completing the construction of the transmission facilities for the TWTV Park City system will be approximately \$1,750,000. Based on the Company's current construction schedule, it believes that it will be able to launch the system in 1997. For a description of the Company's capital commitments for the build out of the Park City, Utah market, see the section entitled "Plan of Operation - Material Expected Commitments Commitments for Existing Systems," below.

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AITS Channel Rights. The Company's other current wireless cable assets are held through AITS, and consist of 10 of the 12 available broadcast channels in the Auckland, New Zealand area (the "MMDS Channels"), and license rights for 20 channels in the 40 GHz band (the "40 GHz Channels"). AITS' MMDS Channel rights are governed by three separate lease agreements with Telecom New Zealand Limited ("Telecom"), the manager of the channels. The first lease, which covers six of the MMDS Channels, requires annual license fee payments of \$77,422 N.Z. (approximately \$54,195 U.S., based on the exchange rate on September 30, 1996). This lease will expire on December 9, 1996. The second lease covers two of the MMDS Channels and continues until 2001 with a guaranteed option to renew the lease for an additional four years. This lease requires an annual license fee of \$28,680 N.Z. (approximately \$20,076 U.S., based on the exchange rate on September 30, 1996), plus 12.5% gross sales tax. The third lease covers two of the MMDS Channels and continues until 2004. This lease requires a \$75,000 U.S. payment on September 1 of each of 1996, 1997 and 1998, and a \$35,000 U.S. payment on September 1 in the years 1999 through 2003. In addition, AITS is required to pay \$1,000 N.Z. (approximately \$700 U.S. based on the exchange rate on September 30, 1996) in annual license fees for the third lease.

The Telecom leases are renewable in Telecom's sole discretion, and there is no guarantee that Telecom will renew all or any of the leases. If Telecom fails or refuses to renew the lease expiring in December of 1996, the Company still believes that, as a result of the newly available compression technology, the remaining Telecom channels will provide sufficient capacity to operate a commercially viable wireless cable system in the Auckland, New Zealand market.

The Company's 40 GHz Channels were licensed to it on February 28, 1996 by the Ministry of Commerce. At this point, the licenses are "conditional licenses," in that they are granted subject to a one year use requirement. If the Company does not begin transmission using the 40 GHz Channels by March 1, 1997, they will revert to the Ministry of Commerce. If the Company uses the licenses, it anticipates that they will be renewed for successive periods.

AITS has no head-end facilities or tower arrangements, although it has had discussions regarding the lease of tower space with both Broadcast Communications Limited (BCL) and Terrafirma, two groups that control transmitter locations which the Company believes are suitable for the system's needs. The BCL tower site is located in the Waitakere Mountain range, approximately 23 miles from the center of Auckland. The Terrafirma tower site is located on Hopson Street, in the center of the city of Auckland.

AITS has also reached a tentative agreement with Isanbards, a local television production company, to sublease space required for a head-end location and to lease office space. The Company anticipates that the head-end location will require a lease payment of approximately \$1,000 U.S. per month,

and that the office space will be approximately \$1 U.S. per square foot per month.

The Company, through AITS, has also entered into discussions with a variety of third parties for programming. The Company currently has firm commitments (but has not entered into any definitive agreements) for programming services from TNT/Cartoon, the Discovery Channel, CNN, Nostalgia, the Box, Country Music Television and from various United States studios for pay-per-view movies. The Company also intends to enter into negotiations with ABC, CBN Philippines (which provides movies and children's programming) and Australis Media Limited (which provides sports programming, as well as PBC, Disney and various movie options). The Company anticipates (but cannot guarantee) that any definitive programming contracts that it enters into with programming suppliers will be on standard terms normally utilized in the programming industry. Such contracts typically have terms of one to three years, are renewable, and provide for the payment to the programming supplier of a certain amount for each subscriber, with a payment floor.

As part of the Separation, TTI transferred to the Company an exclusive agreement with Decathlon Communications, Inc. ("Decathlon"). The agreement grants the Company the exclusive countrywide rights to deploy Decathlon's digital compression technology in New Zealand. Under the terms of the agreement, the Company anticipates that it will order 10 compression systems (one for each MMDS Channel it leases) and approximately 200,000 set-top converters. This agreement is subject to the negotiation of final terms and conditions acceptable to both the Company and Decathlon and may be canceled at any time by the Company or Decathlon without recourse or obligation to either party, prior to signing a final agreement. The Company believes that Decathlon is one of the leading developers of digital compression equipment for wireless cable television, and that its equipment offers unique advantages over other

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compression equipment. Decathlon is presently the only company employing compression at the head-end, making it the only digital compression technology that is currently compatible with existing analog head-end equipment. Decathlon's set-top converter boxes are also fully addressable.

The Company estimates that the cost of building and installing the head-end and related equipment for the New Zealand system will be approximately U.S. \$1,109,500. Based on the Company's current construction schedule, it plans to launch the system in 1997, and anticipates that by the end of 1997 the system could have between 5,000 and 10,000 subscribers. The Company anticipates that it could have between 55,000 and 65,000 subscribers at the end of the fifth year of operation. For a more detailed description of the Company's anticipated capital commitments in the Auckland, New Zealand market, including the costs of system launch, see the section entitled "Plans of Operation -- Material Expected Commitments -- Commitments for Existing Systems," below.

Office Space. The Company shares approximately 2,500 sq. ft. of leased office space at 102 West 500 South, Suite 320, Salt Lake City, Utah. The lease for the space requires monthly payments of \$2,200, of which the Company is responsible for \$200. The Company believes the office space is adequate for its current needs.

Neither AITS nor TWTV Park City lease space for their operations. The Company anticipates that each system will lease space for its operations once build-out of its respective system begins.

Employees. The Company does not have any full time employees. It does, however, have consulting arrangements with two individuals in New Zealand to provide consulting and technical services. See "Management -- Key Employees."

The Company believes that, once TWTV Park City and AITS launch their systems, approximately 87% of the employees of each of TWTV Park City and AITS will be directly involved in subscriber and technical services, and that approximately 13% of their employees will be involved in administrative services, including system management. Assuming the build-out and launch of the Park City, Utah and Auckland, New Zealand systems occur on schedule, the Company anticipates that AITS will have approximately 30 employees in December, 1997, and that TWTV Park City will have approximately 14 employees in December, 1997.

PLAN OF OPERATION

The following should be read in conjunction with the Financial Statements and Notes thereto and the other financial information appearing elsewhere in this Registration Statement.

Overview. The Company is a development stage entity which was formed in connection with the Separation, and is in the business of acquiring, developing,

and operating wireless cable television systems both inside and outside of the United States. The Company's current wireless cable television assets consist of two groups of wireless cable television channel rights -- 4 channels in the Park City, Utah area and 30 channels (consisting of the ten MMDS Channels and the twenty 40 GHz Channels) in the Auckland, New Zealand area. Neither of these channel groupings presently comprise an operating wireless cable television system, and the Company will be required to build out the systems and initiate marketing efforts to acquire subscribers before either group of channel rights will begin generating operating income. In addition, although the Company anticipates that its applications with the FCC for transfer of control of the Park City licenses will be granted, there can be no assurance that these applications will be approved.

Since its inception, the Company has sustained net losses and negative cash flow, due primarily to start-up costs, expenses and charges for depreciation and amortization of capital expenditures and other costs relating to its development of its wireless cable systems. The Company expects to continue to experience negative cash flow through at least fiscal 1997, and may continue to do so thereafter while it develops and expands its wireless cable systems, even if individual systems of the Company become profitable and generate positive cash flow. Unless the Company is able to generate sufficient revenue or acquire additional debt or equity financing to cover its present and ongoing operating costs and liabilities, there is substantial doubt about its ability to continue as a going concern.

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The Company's assets (primarily its interest in TWTV Park City and AITS) were formerly held by TTI and were transferred to the Company in connection with the Separation. The financial statements included as part of this Registration Statement are the audited consolidated financial statements for the period from July 31, 1995 (date of inception) through December 31, 1995, and the audited consolidated financial statements for the nine month period ended September 30, 1996. There is no comparative analysis of the consolidated statements of operations for these periods, as the Company was formed on July 31, 1995.

For the nine months ended September 30, 1996, the Company had no revenues, but incurred total expenses of \$508,573. These expenses are comprised of \$143,595 in professional fees, \$1,950 in depreciation expense, \$238,308 in amortization expense and lease expenses which are directly related to the AITS assets, \$65,177 in general and administrative expenses, and \$59,543 in interest expense related to the TTI loan commitment agreement, as described below. The total expenses of \$508,573 were reduced by minority interest in the loss of AITS of \$13,173, to arrive at the total net loss of \$495,400.

For the five months ended December 31, 1995, the Company had no revenues, but incurred total expenses of \$161,703. These expenses are comprised of \$17,935 in professional fees, \$1,085 in depreciation expense, \$128,921 in amortization expense and lease expense which are directly related to the AITS assets, \$7,323 in general and administrative expenses, and \$6,439 in interest expense related to the TTI loan commitment agreement. The total expenses of \$161,703 were reduced by minority interest in the loss of AITS of \$6,575, to arrive at the total net loss of \$155,128.

Liquidity and Capital Resources. At September 30, 1996, the Company's current liabilities exceeded its current assets by \$66,054. The Company's business operations will require substantial capital financing on a continuing basis. The availability of that financing will be essential to the Company's continued operation and expansion. There can be no assurances, however, that the Company will be able to acquire or generate sufficient capital to build-out its existing channel rights or acquire other channel rights (in operating systems or otherwise). Further, the Company expects to incur net losses for the foreseeable future, although it anticipates that its individual systems may generate positive monthly operating cash flow approximately 24 to 36 months after start-up.

As of September 30, 1996, the Company had current assets of \$216,112, compared to \$203,037 as of December 31, 1995, for an increase of \$13,075. The increase in current assets is primarily due to an increase in cash as a result of increased borrowings. License rights decreased \$130,500 from \$1,092,333 as of December 31, 1995 to \$961,833 at September 30, 1996 due to amortization expense. The Company had current liabilities of \$282,166 as of September 30, 1996 compared to \$218,851 as of December 31, 1995, for an increase of \$63,315. The increase in current liabilities is due to an increase in accounts payable related to start-up expenses. Minority interest in subsidiary decreased \$13,173 from \$49,612 as of December 31, 1995 to \$36,439 at September 30, 1996 due to minority interest in loss of subsidiary. Long-term debt increased \$586,428 from \$238,406 at December 31, 1995 to \$824,834 at September 30, 1996. The increase was due to additional advances by TTI, under a loan commitment agreement

described in Liquidity and Capital Resources below, and the related accrued interest. Common stock and additional paid-in capital increased by \$1,458 and \$37,997, respectively, between December 31, 1995 and September 30, 1996, due to the June 1996 issuance of 145,833 shares of the Company's common stock for \$1,600 in cash.

The Company anticipates that it will obtain the financing necessary to fund its future operations through loans, equity investments and other transactions. While there can be no assurance that the Company will secure such financing, the Company is currently in negotiations to obtain third party financing of between \$500,000 and \$10,000,000 for its activities and management believes that this funding can be obtained under terms satisfactory to the Company. The Company anticipates that such funding would be in the form of secured loans and/or equity investments. The terms and mix of any such funding will be contingent on a number of factors, including the proportion of the funding that takes the form of secured debt (versus equity), the type of security interest the Company is able to provide the third party if the funding is structured as a secured loan, the prevailing interest rates at the time of any such funding, the third party's other investment opportunities and other factors, some or all of which may be beyond the control of the Company. There can be no assurance that the Company will be able to obtain any such financing. In the event that the Company is unsuccessful in completing these financing arrangements or in obtaining substitute funding commitments, the Company would have difficulty in meeting its operating expenses, satisfying its existing or future debt obligations, or succeeding in acquiring, developing or operating a cable system or adding subscribers to such cable systems. If the Company does

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not have sufficient cash flow or is unable to otherwise satisfy its debt obligations, its ongoing growth and operations could be restricted or the viability of the Company could be adversely affected. Under such conditions, there would be substantial doubt as to the Company's ability to continue as a going concern.

The Company has taken several actions which it believes will improve its short-term and ongoing liquidity and cash flow. These actions include establishing policies designed to conserve cash and control costs, obtaining an agreement to borrow up to \$1 million from TTI, and pursuing additional financing and capital resources as described above.

Under the terms of the TTI loan commitment (the "Commitment"), all amounts advanced by TTI must be repaid, together with interest at the rate of 8% per annum, on August 1, 2001. At the Company's option, however, its obligations to TTI may be converted to a term loan (payable in monthly payments of principal and interest) with a maturity date of 10 years from the first day of the month following the conversion if (i) the Company is not in default under the Commitment, (ii) there has been no material change in the Company's financial condition which TTI reasonably determines to be materially adverse to the Company or which materially increases TTI's risk of nonpayment, (iii) the construction and build-out of the Company's systems are, in the sole opinion of TTI, occurring in accordance with a projected schedule agreed to by the parties, and (iv) the Company provides TTI with certain documentation, including information regarding the uses of the amounts advanced by TTI under the Commitment.

The amounts advanced under the Commitment may be used only for (i) acquiring, owning, building-out and operating wireless cable television systems and operations and (ii) the payment of general administrative and office expenses incurred by the Company in connection with those operations, all in accordance with a budget to be agreed upon by the parties. No amounts advanced under the Commitment may be used for general investment purposes unless that investment is for a period of not more than 30 days and pending the expenditure of the funds in question for approved purposes. At TTI's request, the Company has agreed to grant TTI a security interest in all or part of its assets to secure the Company's repayment obligations. As of September 30, 1996, \$796,707 plus accrued interest of \$28,127 was outstanding on the loan.

TTI's obligation to advance funds to the Company under the Commitment is limited to amounts constituting "advanceable amounts." In general, "advanceable amounts" are those amounts from TTI's cash flow, accounts receivable and/or other amounts payable to it as TTI shall reasonably (and in its sole discretion) determine are available for advance to the Company without materially and adversely affecting TTI's ability to conduct its ongoing business operations and meet its obligations as they become due. TTI has represented that it will have sufficient "advanceable amounts" to fund the Commitment. On June 28, 1996, TTI borrowed approximately \$2.5 million from an unrelated commercial lending party which it will use, in part, to fund the Commitment. As an inducement for the lender (the "Lender") to make the loan to TTI, the Company issued 145,833 shares of its common stock (the "Lender Shares") to the Lender for a total payment of \$1,600. Because these shares were issued at below market

value, the Company recorded additional interest expense of \$37,855 at the time of the stock purchase. The Lender Shares represented approximately 4% of the Company's issued and outstanding shares.

Material Expected Commitments. The Company's expected commitments include those associated with its current contractual obligations for TWTV Park City, AITS and those arising as a result of its acquisition and/or development of those or any other channel groups or operating systems it acquires.

Commitments for Existing Systems.

o Auckland, New Zealand System. The Company estimates that the cost to launch the AITS system will be approximately \$1,109,500 (consisting of approximately \$787,500 for head-end equipment, \$100,000 for tower related equipment, \$222,000 for office and radio equipment), and that the period between the Company's initial build-out operations and the launch of the fully functional system will be approximately 9 months. The Company anticipates that the system will have between 5,000 and 10,000 subscribers within 12 months of its launch, and that it could have between 55,000 and 65,000 subscribers by the end of the fifth year after launch. The Company's ability to build out and launch the AITS systems will be contingent upon its ability to obtain additional debt or equity financing.

In addition to the payments described in the preceding paragraph, AITS will be required to make certain lease payments with respect to its channels, as follows:

Year	Dollar Amount (in U.S. Dollars)
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1996	-
1997	\$98,286
1998	98,286
1999	58,286
2000	58,286
2001	58,286
2002 and thereafter	139,157

Total future lease payments	\$510,587
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The lease payments shown above are exclusive of the participation payments required under one of the AITS channel leases, which requires AITS to pay to Telecom 12.5% of the gross revenue from the operation of 2 of AITS' 10 MMDS licenses. The Company estimates that this participation fee will be approximately \$67,528 in 1997, \$734,549 in 1998, \$1,574,033 in 1999, \$2,392,092 in 2000 and \$2,826,904 on a yearly basis thereafter, assuming a subscriber base of approximately 6,750; 24,750; 42,750; 57,075 and 60,375 at the end of each of those years, respectively.

o Park City, Utah System. TWTV Park City currently has a substantial portion of the equipment it will need for an operating system. In order to complete the system, it will need to expend approximately \$350,000 for additional head-end equipment, approximately \$10,000 for additional tower related equipment, approximately \$400,000 for compression and miscellaneous equipment and approximately \$1,000,000 for additional antenna, down converters and installation expenses. The Company also anticipates that the set-top converters necessary to supply 5,000 subscribers will be approximately \$2,250,000. The Company anticipates that the initial build-out of the TWTV Park City system will begin in 1997, will take approximately 9 months, and the system will have approximately 1,100 subscribers within 12 months of its launch. The Company's ability to build out and launch the Park City system will be contingent on its ability to obtain additional debt or equity financing.

Commitments for Additional Systems. The Company estimates that the launch of a new wireless cable system in each market for which it controls sufficient channel rights will require approximately \$1,109,500 in start-up expenses (exclusive of any acquisition costs for the license or lease rights), consisting of approximately \$887,500 for wireless cable system head-end and transmission equipment, and \$222,000 for other pre-operational start-up expenses. In addition, each subscriber added to a system after launch will require an incremental installation cost of approximately \$370 to \$510 for equipment and labor at subscriber locations, depending on the number of television set connections requested by the subscriber. Although the Company anticipates that it will be required to make head-end and transmission expenditures, as well as certain other start-up expenditures, before it can begin to deliver programming to its subscribers, installation costs for individual subscribers will be incurred only after the subscriber signs up for

the Company's services.

The actual amounts required to launch a system and for development and expansion could be more than the estimated amounts described above if, among other things, the development of a particular system is more difficult than anticipated or if the Company decides to increase its estimated subscriber installation activities. Actual expenditures could be less than the estimated expenditures for a system if, among other things, the development of the system is financed through debt, equipment lease or financing, or other arrangements.

The Company expects that any financing it obtains will be structured as secured loans to the operating subsidiaries holding the systems. The Company may also finance its operations through the sale of equity (either in a public or private offering) and/or through equipment leasing or other financing arrangements. There can be no assurance, however, that such additional financing, whether debt, equipment leasing or equity, will be available, or that, if available, the terms will be acceptable to the Company.

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Forward-looking statements. This Registration Statement contains forward-looking statements, which are not historical fact. Such forward-looking statements include the Company's plans to launch the Auckland, New Zealand and Park City, Utah wireless cable systems and corresponding financial and subscriber projections. Such forward-looking statements also include the Company's expectations concerning factors affecting the markets for its services, such as government regulations, competitive factors, and demand growth for the services. Actual results could differ from those projected in any forward-looking statements for the reasons detailed in the Liquidity and Capital Resources section of this Registration Statement and other risks detailed within this Registration Statement. The forward-looking statements are made as of the date of this Registration Statement.

MANAGEMENT

Directors, Executive Officers and Other Key Employees. The Company's directors, executive officers and key employees, and their respective ages and positions with the Company, are set forth below in tabular form. Biographical information on each person is set forth following the tabular information. There are no family relationships between any of the Company's directors or executive officers, with the exception of Lance D'Ambrosio and Troy D'Ambrosio, who are brothers. The Company's Board of Directors is currently comprised of 3 members, each of whom are elected for a 1 year term. Executive officers are chosen by and serve at the discretion of the Board of Directors.

Name	Age	Position
Lance D'Ambrosio	39	President and Director of the Company
Paul Gadzinski	42	Executive Vice President
Anthony Sansone	32	Secretary and Treasurer of the Company
Troy D'Ambrosio	36	Director
George Sorenson	40	Director of the Company

Lance D'Ambrosio - Mr. D'Ambrosio is the President and a director of the Company, and holds other executive officer and director positions in the Company's subsidiaries. Mr. D'Ambrosio is responsible for the Company's acquisitions, strategic planning and mergers, and is responsible for all financing plans for the Company. Mr. D'Ambrosio currently also serves as the President, Chief Executive Officer and a director of TTI, was President and a director of WHI and holds executive offices and/or director positions in WHI's subsidiaries. Between 1987 and 1992, Mr. D'Ambrosio was the President of Bridgeport Financial, Inc., a holding company that acquired a full service broker/dealer securities operation. During this period, Mr. D'Ambrosio was also the President of First Eagle Investment, a securities broker/dealer. He was also President of Tri-Bradley Investments of Utah, which was primarily involved in raising venture capital for investments in high-tech companies. Mr. D'Ambrosio holds a B.S. in Marketing and Management from the University of Utah, which he obtained in 1979.

Paul Gadzinski - Mr. Gadzinski is the Executive Vice-President of the Company. Since 1994, Mr. Gadzinski has also served as Vice-President for Market Development for TTI and as Vice-President of Marketing for WHI. Between 1989 and 1994, Mr. Gadzinski served as Director of Marketing and was subsequently promoted to Vice President and General Manager of Cross Country Wireless Cable, a 40,000 plus subscriber wireless cable system located in Riverside, California that was recently acquired by Pacific Telesis Group. Between 1985 and 1989, Mr.

Gadzinski was the Marketing Director and Operations Manager of Cablevision International, a traditional cable operation located in Luquillo, Puerto Rico (now doing business as TCI Cablevision of Puerto Rico, Inc.). Mr. Gadzinski attended Santiago Community College, where he majored in Small Business.

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Anthony Sansone - Mr. Sansone is the Secretary and Treasurer of the Company and serves as its controller. Mr. Sansone is also the Treasurer and controller of TTI. During 1993 and 1994, Mr. Sansone was the controller, Secretary and the director of shareholder relations for Paradigm Medical Industries, Inc., a manufacturer of ophthalmic cataract removal devices. During 1992 and 1993, he was the assistant controller of HGM Medical Lasers, Inc., which manufactures and sells surgical and dental lasers. Between 1988 and 1992, Mr. Sansone was the assistant to the Vice President of Public Relations and the assistant to the chairman of the board for American Stores Company, a large retail grocery and drug store chain. Mr. Sansone received a Bachelors of Science Degree in Accounting from Utah State University in 1988 and a Masters of Business Administration from the University of Utah in 1991.

Troy D'Ambrosio - Mr. D'Ambrosio is a Director of the Company and also serves as a director of TTI. Mr. D'Ambrosio is the manager of customer relations for Wasatch Advisors, a mutual fund and investment services business. From November of 1993 to September of 1996, Mr. D'Ambrosio held other executive positions in TTI (where he served as Vice-President of Administration, Secretary and a director) and WHI's subsidiaries. From July of 1992 to November of 1993, Mr. D'Ambrosio was a vice-president and a partner in Reputation, a public relations firm specializing in legal, economic and government relations for business. Between 1985 and 1992, Mr. D'Ambrosio was with American Stores, most recently as Vice-President of Corporate Communications and Government Relations. Mr. D'Ambrosio received a Bachelor of Arts in Political Science from the University of Utah in 1982.

George Sorenson - Mr. Sorenson is a Director of the Company and also serves as a director of TTI. Mr. Sorenson is a principal in FondElec Group, Inc., a corporation which invests in energy and electricity markets in Latin America and advises United States corporations on their investments in that area. Between 1990 and 1992, Mr. Sorenson was the Associate Director of Bear, Sterns & Co., Inc., where he was principally responsible for its international investment banking in the Far East and coordinated product development, marketing and account coverage for Japanese accounts in New York and Tokyo. Between 1983 and 1990, Mr. Sorenson worked for Drexel Burnham & Lambert, Inc., most recently as a Senior Vice President in Tokyo, Japan, where he managed the company's high yield bond operations in Asia. Mr. Sorenson received a Bachelors of Arts Degree in Finance from the University of Utah in 1979, and a Masters in International Business Management in 1981 from the American Graduate School of International Management.

In addition to the officers and directors listed above, the Company will rely on the services of several key employees and/or consultants. These include Nicholas Fisher, a New Zealand barrister and solicitor, who acts as consultant to the Company with respect to New Zealand legal affairs and the proposed build-out and operation of the New Zealand system. Mr. Fisher represents a number of communications clients (both locally and internationally), and specializes in properties and communications law. Mr. Fisher received his Bachelor of Laws from Auckland University in 1972. The Company has retained Mr. Fisher as a consultant with respect to the application of New Zealand's communications and investment laws to the Company's operations in New Zealand. Under the terms of Mr. Fisher's agreements with the Company, the Company pays Mr. Fisher for his consulting services on an hourly basis and at his normal billing rate.

The Company also has a consulting arrangement with Robert Burgess, also a New Zealand resident. Mr. Burgess primarily advises the Company with respect to technical and administrative matters regarding the New Zealand wireless cable industry. Mr. Burgess has held a number of consulting positions for listed public New Zealand companies in the communications industry. Mr. Burgess is a former director of Video Network News and between 1981 and 1988 was Managing Director of Visionhire Holdings, a listed public New Zealand company. Under the terms of Mr. Burgess' arrangement with the Company, the Company pays him \$1,000 per month for his consulting services.

Director Compensation. Directors do not receive cash compensation for serving on the Board of Directors, but are reimbursed for expenses they incur in connection with attending Board or committee meetings.

EXECUTIVE COMPENSATION

None of the Company's executive officers has received any cash compensation, bonuses, stock appreciation rights, long-term compensation, stock awards or long-term incentive rights from the Company since its inception.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The Company has entered into an agreement with TTI wherein, at TTI's sole discretion, the Company will be allowed to borrow up to \$1,000,000 for the purposes of facilitating the acquisition, operation, build-out, and maintenance of the Company's business operations. The term of the agreement, as amended, provides for borrowings through December 31, 1996. Interest on any outstanding balance will accrue at 8% per annum, with the principal and interest becoming due and payable in full on August 1, 2001. As of September 30, 1996, \$796,707 plus accrued interest of \$28,127 was outstanding on the loan.

The Company has a current liability to Bridgeport Financial, an entity owned by the father of the president of the Company, in the amount of \$100,000 for consulting services related to the TTI acquisition of the New Zealand channel frequencies. This liability was assumed by the Company during the Separation. The obligation does not bear interest, is not secured by any assets of the Company and is payable on demand.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table assumes the distribution of the common shares issued to TTI for the benefit of its shareholders as having occurred on the effective date of the Separation, August 1, 1995, and, based on that assumption, shows the beneficial ownership (based on the distribution list prepared by TTI and the Company with respect to the distribution of the common shares by the escrow agent) of the Company's common stock as of the date hereof by (i) each stockholder known by the Company to be the beneficial owner of more than 10% of the outstanding shares of common stock, (ii) each director, (iii) each executive officer and (iv) all directors and executive officers as a group. The following table also reflects the issuance of the Lender Shares. The relative number of the 3,500,000 shares to be distributed to the TTI shareholders is based in part on those shareholders' respective interests in TTI, and the numbers set forth below assume the exercise of all outstanding options by those shareholders to acquire TTI shares as of the date of the Separation. The offices and positions shown in parentheses after the names of certain of the persons shown below state the current offices and positions held by those persons in the Company's management. Unless otherwise indicated, each such person (either alone or with family members) has been deemed to have authority or dispositive power of the shares listed opposite that person's name:

Name and Address	Number of Shares	Class	Percent of Class (1)
Lance D'Ambrosio (President, Director) 6385 Shenandoah Park Avenue Salt Lake City, Utah 84121	290,858 (2)	Common	7.98%
Paul Gadzinski (Executive Vice President) 6649 Wintertree Drive Riverside, California 92506	24,249	Common	*
Anthony Sansone (Secretary, Treasurer) 3692 South 645 East Salt Lake City, UT 84106	4,850	Common	*
Troy D'Ambrosio (Director) 2914 Nila Way Salt Lake City, UT 84124	33,096	Common	*
George Sorenson (Director) 12 Fairgreen Lane Old Greenwich, Connecticut 06870	14,146 (3)	Common	*

F. Lorenzo Crutchfield, Jr. 3 Crossfield Court Greensboro, North Carolina 27408	1,211,630 (4)	Common	33.23%
George D'Ambrosio 5451 South 1410 East Salt Lake City, Utah 84117	471,291 (5)	Common	12.93%
All Officers and Directors as a Group (5 persons)	367,199	Common	10.07%

* Less than 1%

1 Assumes 3,645,833 issued and outstanding common shares, par value \$.01 per share, and the effective distribution of all such shares currently held by the escrow agent pursuant to the terms of the Separation.

2 Includes 34,649 shares held in the name of Mr. D'Ambrosio and 256,209 shares held in the name of entities over which Mr. D'Ambrosio has voting and/or beneficial control, and for which he does not disclaim beneficial ownership.

3 Includes 1,213 shares held in the name of Mr. Sorenson and 12,933 shares held in the name of an entity over which Mr. Sorenson has voting and/or beneficial control, and for which Mr. Sorenson does not disclaim beneficial ownership.

4 Includes 1,181,884 shares held in the name of Mr. Crutchfield and 29,746 shares held in the name of an affiliate of Mr. Crutchfield over which he has voting and/or beneficial control, and for which he does not disclaim beneficial ownership.

5 Includes 63,209 shares held in the name of Mr. D'Ambrosio and 408,082 held in the name of entities over which Mr. D'Ambrosio has voting and/or beneficial control, and for which he does not disclaim beneficial ownership. Mr. D'Ambrosio is the father of Lance D'Ambrosio and Troy D'Ambrosio.

DESCRIPTION OF CAPITAL STOCK

General. The authorized capital stock of the Company consists of 15 million shares of common stock, par value \$.01 per share, and 5 million shares of preferred stock, par value \$0.01 per share. Currently, 3,645,833 shares of the Company's common stock are issued and outstanding (and are fully-paid and non-assessable), of which 3,500,000 of such shares are held by an escrow agent for the benefit of TTI's shareholders pursuant to the terms of the Separation. No shares of preferred stock are issued or outstanding. Upon the distribution of the common shares held in escrow, the outstanding shares of the Company will be held of record by approximately 432 stockholders.

Common Stock. The holders of common stock are entitled to vote as a single class on all matters submitted to a vote of the stockholders. Subject to preferences that may be applicable to any then outstanding preferred stock, all holders of common stock are entitled to receive ratably such dividends as may be declared by the Board of Directors out of funds legally available for distribution. At December 31, 1995, no rights or preferences for the common stock had been authorized by the Company's Board of Directors. In the event of a liquidation, dissolution or winding up of the Company, holders of the common stock are entitled to share ratably in all assets remaining after payment of liabilities and the liquidation preference of any then outstanding preferred stock. Holders of common stock have no preemptive rights and no right to convert their common stock into any other securities. There are also no redemption or sinking fund provisions applicable to the common stock. All outstanding shares of common stock are fully paid and nonassessable.

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In the election of directors, the holders of the common stock will be entitled to elect the Company's directors. The holders of the common stock are not entitled to cumulative voting in the election of directors. In general, each of the Company's board of directors is elected for a 1 year term, and any action by the Board of Directors will require the approval of the majority of the members of the Board.

Preferred Stock. The Company's organizational documents authorize the Board of Directors to issue the preferred stock in classes or series and to establish the designations, preferences, qualifications, limitations, or restrictions of any class or series with respect to the rate and nature of dividends, the price and terms and conditions on which shares may be redeemed,

the terms and conditions for conversion or exchange of the preferred stock into any other class or series of the stock, voting rights and other terms. The Company may issue, without approval of the holders of common stock, preferred stock which has voting, dividend or liquidation rights superior to the common stock and upon terms which may adversely affect the rights of holders of common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, adversely affect the voting power of the holders of common stock and, under certain circumstances, make it more difficult for a third party to gain control of the Company. As of the date of this Registration Statement, no rights or preferences for the preferred stock had been authorized by the Company's Board of Directors.

PART II

MARKET PRICE OF AND DIVIDENDS ON THE COMPANY'S COMMON EQUITY AND OTHER SHAREHOLDER MATTERS

The Company's equity securities are not traded on any established public trading market, and its currently issued and outstanding common shares, in the total number of 3,645,833 shares, are not subject to any outstanding options or warrants to purchase, nor do they constitute securities convertible into, any other equity security of the Company. Further, none of the currently issued and outstanding shares of the Company could be sold pursuant to Rule 144 under the Securities Act of 1933, as amended (the "1933 Act"). The Company has not agreed to register any such shares under the 1933 Act for sale by such security holders. No portion of the shares currently issued and outstanding are being, or have been proposed to be, publicly offered by the Company except as provided under the terms of the Separation. Under those terms, 3,500,000 currently issued common shares of the Company are held by the escrow agent for distribution to TTI shareholders of record as of August 1, 1995, and will be distributed to the TTI shareholders only after the compliance by TTI and the Company of certain federal securities law requirements, including the effectiveness of this Registration Statement.

Under the terms of the Company's sale of the Lender Shares to the Lender, it agreed to provide the Lender with notice of any registration rights it grants to any third party, and to provide the Lender with registration rights comparable to the most favorable registration rights that it grants to other parties from time to time. The Company also agreed to provide the Lender with (i) a right to acquire any newly issued securities of the Company (which right will terminate on, and not apply to, an initial underwritten public offering of the Company's common stock or the 5th anniversary of the sale of the Lender Shares to the Lender), and (ii) a right to require the Company to purchase all or a portion of the Lender Shares (which right will expire on the closing of an initial underwritten public offering of the Company's common stock) for the greater of the Company's book value per share, or the 30 day average of the closing prices of the Company's common stock prior to the exercise of the put if it is listed on the Nasdaq National Market System, or the 30 day average of the last sales price of the Company's common stock if it is traded over the counter, or the value agreed to by the parties (unless there is no agreement, and in which case the value will be established by appraisal).

The Company has not declared or paid any cash dividends on its common stock at any time and does not anticipate doing so in the foreseeable future. Under Nevada law, the Company may pay a dividend on its common shares only if, after giving effect to the dividend, the Company would be able to pay its debts as they become due in the usual course of business or the Company's total assets are in excess of the sum of its total liabilities plus the amount that would be needed, if the Company were to be dissolved at the time of the dividend payment, to satisfy any preferential liquidation or rights other than those of the Company's common shareholders. In determining whether a dividend is allowed, the Board of Directors may rely on financial statements prepared in accordance with accounting practices that are reasonable

under the circumstances, a fair valuation of the Company's assets and liabilities, or any other method that the Board deems reasonable under the circumstances.

If a director relies in good faith on the books of account of the Company (or statements prepared by any of its officials) as to the value and the amount of its assets, liabilities or net profits, or any other fact pertinent to the amount of money from which dividends may be properly declared, that director is not liable to either the Company or its creditors for the Company's payment of that dividend. If, however, directors determine a dividend may be paid based on their gross negligence (or, in the process, willfully ignore facts which show a dividend may not be paid), the directors voting for that dividend are jointly and severally liable to the Company (and, in the event of its dissolution or

insolvency, to its creditors at the time of the violation) for the lesser of the full amount of the dividend paid or any loss sustained by the Company by reason of the dividend payment.

LEGAL PROCEEDINGS

The Company is not a party to any pending legal proceeding, and its property is not the subject of any pending legal proceeding, other than routine litigation incidental to its business operations. There is also no legal proceeding pursuant to which any director, officer or affiliate of the Company, or any owner of record or beneficially of 10% or more of any class of its voting securities is a party adverse to the Company or in which any such person has a material interest adverse to the Company.

CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANT ON ACCOUNTING AND FINANCIAL DISCLOSURE

On September 5, 1996, Deloitte & Touche LLP replaced Jones, Jensen & Company as the Company's Independent Accountants for the year ending December 31, 1995. Jones, Jensen & Company's relationship with the Company was not terminated because of any, resolved or unresolved, disagreement on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure. The decision to change Independent Accountants was approved by the Company's Board of Directors.

RECENT SALES OF UNREGISTERED SECURITIES

The Company has entered into only two transactions involving the issuance of its equity securities. The first issuance, the Separation, occurred in connection with a transaction pursuant to which TTI contributed to the Company all right, title and interest it held in and to AITS and TWTV Park City in exchange for 3,500,000 shares of the Company's common stock. Those shares were immediately distributed to the escrow agent, to be held for the benefit of TTI's shareholders of record as of August 1, 1995, and subject to the satisfaction by the Company and TTI of certain securities laws requirements, including the effectiveness of this Registration Statement. Upon the satisfaction of those requirements, the escrow agent will distribute the shares to the TTI shareholders in accordance with the terms of the Separation documents. If those conditions were not satisfied, the shares were to be returned to TTI.

In general, the distribution will be non-pro rata, with the shareholders other than the inside shareholders of TTI acquiring shares in the Company on the basis of approximately 1.6 shares of the Company's common stock for each 10 shares of TTI stock they hold, and with the inside shareholders of TTI acquiring shares of the Company at substantially reduced ratios. As a result of the non-pro rata distribution of the Company's common shares to the TTI shareholders, the non-inside TTI shareholders will own beneficially approximately 54% of the issued and outstanding common shares of the Company, versus approximately 46% of the issued and outstanding common shares of TTI currently held by them. Upon the distribution of the shares by the escrow agent, the Company will have approximately 432 shareholders.

The Company believes that, because (i) the shares issued in connection with the Separation are being held in escrow for the benefit of the TTI shareholders and will not be distributed to those shareholders until after the effective date of this Registration Statement; (ii) TTI had valid and compelling business reasons for effecting the Separation; (iii)

TTI's filings with the Securities and Exchange Commission and this Registration Statement include descriptions of the Company's business, its assets, the industry in which it operates, the regulatory and competitive environments in which it operates and other business matters; (iv) this Registration Statement will be disseminated to TTI's shareholders of record as of August 1, 1995 in connection with or prior to the release of the shares from the escrow; (v) no shareholder vote of TTI's shareholders was required to effect the Separation; (vi) TTI's shareholders of record of August 1, 1995 were not required to make any business decision in connection with the Separation; and (vii) TTI's shareholders of record on August 1, 1995 were not required to provide any further consideration to TTI for the shares held in the escrow, the distribution of the shares to the TTI shareholders should not constitute a sale of an unregistered security in violation of the federal securities acts.

The second issuance of the Company's common stock resulted from the Company's issuance to the Lender (Pacific Mezzanine Fund, L.P.) of 145,833 shares of the Company's common stock as an inducement for the Lender to provide

financing to TTI. It is anticipated that a portion of this financing will be used by TTI to fund the Commitment. In connection with the issuance of these shares, the Lender represented and warranted to the Company that (i) it was aware that these shares had not been registered under federal securities laws, (ii) it was acquiring the shares for its own account for investment purposes and not with a view to or for resale in connection with any "distribution" for purposes of the Securities Act of 1933, (iii) it understood that the shares must be indefinitely held unless they are registered or an exemption from registration applies to their disposition, (iv) it was aware that the certificate representing the shares would bear a legend restricting their transfer, and (v) it was aware that there was no public market for the shares. The Company believes that, in light of the foregoing, and in light of the sophisticated nature of the Lender, the fact that the Lender constituted the only purchaser of the shares, and the fact that the Lender engaged in a due diligence review of TTI and the Company prior to its investment, the sale of the shares to the Lender should not constitute the sale of an unregistered security in violation of the federal securities laws by reason of the exemption provided under ss. 4(2) of the Securities Act of 1933.

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Under the Company's Articles of Incorporation, the Company is required to indemnify its directors and officers to the fullest extent allowed by Nevada law. Under Nevada law, a corporation's indemnification authority is relatively broad, and includes the right to indemnify any officer or director who was or is a party, or is threatened to be made a party to, any threatened, pending or completed action, suit or proceeding (whether civil, criminal, administrative or investigative), except an action by or in right of the corporation, by reason of the fact that the person was an officer or director of the corporation (or is or was serving at the request of the corporation as an officer or director of another corporation or entity), against all expenses, including attorneys fees, judgments, fines and amounts paid in settlement, and which are actually and reasonably incurred by the officer or director in connection with the action, suit or proceeding. The right to such indemnification is premised on the person's ability to show that he acted in good faith and in a manner which he reasonably believed to be in (or not opposed to) the best interest of the corporation. In order for a director or an officer to be indemnified for criminal actions, the officer or director must have had no reasonable cause to believe that the conduct in question was unlawful.

In addition, a corporation may indemnify any officer or director under circumstances similar to those described in the preceding paragraph against expenses (including amounts paid in settlement and attorneys fees actually and reasonable incurred by that person) in connection with the defense or settlement of the action or suit. This indemnification is also premised on the person's ability to show that he acted in good faith and in a manner which he reasonably believed to be in (or not opposed to) the best interest of the corporation. However, indemnification for expenses is limited to the amount that the court, after viewing all of the circumstances of the claim, believes is reasonable under those circumstances.

Under Nevada law, corporations may also purchase and maintain insurance or make other financial arrangements on behalf of any person who is or was a director or officer (or is serving at the request of the corporation as a director or officer of another corporation or entity) for any liability asserted against that person and any expenses incurred by him in his capacity as a director or officer. These financial arrangements may include the creation of trust funds, self insurance programs, the granting of security interests, letters of credit, guarantees and insurance policies.

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The Company has not sought or obtained any director or officer insurance coverages or made any other arrangements for the funding of any indemnification obligations it might incur under the terms of its Articles of Incorporation and Nevada law.

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F/S

The following financial information is provided in accordance with the requirements of Item 310 of Regulation S-B.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Wireless Cable & Communications, Inc.
Salt Lake City, Utah

We have audited the accompanying consolidated balance sheets of Wireless Cable & Communications, Inc. and subsidiaries (a development stage company) as of December 31, 1995 and September 30, 1996 and the related consolidated statements of operations, stockholders' equity, and cash flows for the period from July 31, 1995 (date of inception) through December 31, 1995 and for the nine months ended September 30, 1996. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company at December 31, 1995 and September 30, 1996 and the results of its operations and its cash flows for the period from July 31, 1995 (date of inception) through December 31, 1995 and for the nine months ended September 30, 1996, in conformity with generally accepted accounting principles.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. The Company is a development stage enterprise engaged in the development of wireless cable television systems both domestically and internationally. As discussed in Note 6 to the consolidated financial statements, the Company does not have revenue sufficient to cover its operating costs and its current liabilities exceed its current assets. These conditions raise substantial doubt about its ability to continue as a going concern. Management's plans concerning these matters are also described in Note 6. The consolidated financial statements do not include any adjustments that might result from the outcome of these uncertainties.

DELOITTE & TOUCHE LLP

Salt Lake City, Utah
October 17, 1996 (December 30, 1996 as to Note 7)

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WIRELESS CABLE & COMMUNICATIONS, INC.
AND SUBSIDIARIES
(A DEVELOPMENT STAGE COMPANY)

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 1995 AND SEPTEMBER 30, 1996

<TABLE>
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	December 31, 1995	September 30, 1996
ASSETS		
CURRENT ASSETS:		
<S>		
Cash	\$ 2,075	\$ 18,410
Prepaid license lease fees (Notes 2 and 3)	200,962	197,702
	-----	-----
Total current assets	203,037	216,112
INVESTMENTS (Note 2)	-	300,000
EQUIPMENT - Net (Note 2)	3,033	1,083
LICENSE RIGHTS, - Net (Note 3)	1,092,333	961,833
	-----	-----
TOTAL ASSETS	\$ 1,298,403	\$ 1,479,028
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 16,668	\$ 73,774
Accrued license lease fees (Note 3)	102,183	108,392
Accrued consulting fees (payable to related party, Note 4)	100,000	100,000
	-----	-----
Total current liabilities	218,851	282,166
LONG-TERM LIABILITIES:		
Long-term debt (owed to related party, Note 4)	238,406	824,834
MINORITY INTEREST IN SUBSIDIARY (Note 1)	49,612	36,439
	-----	-----
Total liabilities	506,869	1,143,439
	-----	-----
COMMITMENTS AND CONTINGENCIES (Notes 3, 4 and 6) STOCKHOLDERS' EQUITY (Note 1):		
Preferred stock; \$0.01 par value; 5,000,000 shares authorized: and no shares issued or outstanding		
Common stock; \$0.01 par value; 15,000,000 shares authorized: 3,500,000 and 3,645,833 shares issued and outstanding	35,000	36,458
Additional paid-in capital	911,662	949,659
Deficit accumulated during the development stage	(155,128)	(650,528)
	-----	-----
Total stockholders' equity	791,534	335,589
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 1,298,403	\$ 1,479,028
	=====	=====

</TABLE>

See notes to consolidated financial statements.

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WIRELESS CABLE & COMMUNICATIONS, INC.
AND SUBSIDIARIES
(A DEVELOPMENT STAGE COMPANY)

CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE PERIOD FROM JULY 31, 1995 (DATE OF INCEPTION)
THROUGH DECEMBER 31, 1995 AND
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996

<TABLE>
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	July 31, 1995 (Date of Inception) Through December 31, 1995	Nine Months Ended September 30, 1996	Cumulative from July 31, 1995 (Date of Inception) Through September 30, 1996
EXPENSES:			
<S>			
Professional fees	\$ 17,935	\$ 143,595	\$ 161,530
Depreciation and amortization	73,585	132,450	206,035
Lease expense (Note 3)	56,421	107,808	164,229

General and administrative	7,323	65,177	72,500
Total	155,264	449,030	604,294
INTEREST EXPENSE (Note 4)	6,439	59,543	65,982
NET LOSS BEFORE MINORITY INTEREST	161,703	508,573	670,276
MINORITY INTEREST IN LOSS OF SUBSIDIARY (Note 1)	6,575	13,173	19,748
NET LOSS	\$ 155,128	\$ 495,400	\$ 650,528
Net loss per common share	\$ (0.04)	\$ (0.14)	\$ (0.18)
Weighted average common shares	3,500,000	3,550,030	3,532,104

</TABLE>
See notes to consolidated financial statements.

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WIRELESS CABLE & COMMUNICATIONS, INC.
AND SUBSIDIARIES
(A DEVELOPMENT STAGE COMPANY)

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
FOR THE PERIOD FROM JULY 31, 1995 (DATE OF INCEPTION)
THROUGH DECEMBER 31, 1995 AND
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996

	Common Stock Shares	Amount	Additional Paid-in Capital	Deficit Accumulated During the Development Stage
Issuance of common stock to TTI shareholders in August 1995 (Note 1)	3,500,000	\$35,000	\$911,662	
Net loss for the period from July 31, 1995 (date of inception) through December 31, 1995				\$(155,128)
BALANCE, DECEMBER 31, 1995	3,500,000	35,000	911,662	(155,128)
Issuance of common stock (Note 4)	145,833	1,458	37,997	
Net loss for the nine months ended September 30, 1996				(495,400)
BALANCE, SEPTEMBER 30, 1996	3,645,833	\$36,458	\$949,659	\$(650,528)

</TABLE>
See notes to consolidated financial statements.

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WIRELESS CABLE & COMMUNICATIONS, INC.
AND SUBSIDIARIES
(A DEVELOPMENT STAGE COMPANY)

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD FROM JULY 31, 1995 (DATE OF INCEPTION)
THROUGH DECEMBER 31, 1995 AND
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996

<TABLE>
<CAPTION>

July 31, 1995

Cumulative
from July 31,

	(Date of Inception) Through December 31, 1995	Nine Months Ended September 30, 1996	1995 (Date of Inception) Through September 30, 1996
CASH FLOWS FROM DEVELOPMENT ACTIVITIES:			
<S>	<C>	<C>	<C>
Net loss	\$ (155,128)	\$ (495,400)	\$ (650,528)
Adjustments to reconcile net loss to net cash used in development activities:			
Depreciation and amortization	73,585	132,450	206,035
Minority interest in loss of subsidiary	(6,575)	(13,173)	(19,748)
Change in assets and liabilities:			
(Increase) decrease in prepaid license lease fees	(87,344)	3,260	(84,084)
Increase in accounts payable	9,062	57,106	66,168
Increase in accrued license lease fees	25,441	6,209	31,650
Net cash used in development activities	(140,959)	(309,548)	(450,507)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment in shares (Note 2)	-	(300,000)	(300,000)
Net cash provided by investing activities	-	(300,000)	(300,000)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issuance of common stock	2,000	39,455	41,455
Borrowings from related party (Note 4)	141,034	586,428	727,462
Net cash provided by financing activities	143,034	625,883	768,917
NET INCREASE IN CASH	2,075	16,335	18,410
CASH AT BEGINNING OF PERIOD	-	2,075	-
CASH AT END OF PERIOD	\$ 2,075	\$ 18,410	\$ 18,410
SUPPLEMENTAL SCHEDULE OF CASH FLOW INFORMATION:			
Cash paid during the year for interest and income taxes	NONE	NONE	NONE

</TABLE>

SUPPLEMENTAL SCHEDULE FOR NONCASH INVESTING AND FINANCING ACTIVITIES In connection with the Separation (see Note 1), the Company issued common stock in exchange for the acquisition of assets and the assumption of liabilities as follows:

Historical cost of assets acquired, including prepaid license lease fees, equipment, and license rights	\$ 1,282,569
Common stock issued	(946,662)
Liabilities assumed	\$ 335,907

See notes to consolidated financial statements.

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WIRELESS CABLE & COMMUNICATIONS, INC.
AND SUBSIDIARIES
(A DEVELOPMENT STAGE COMPANY)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD FROM JULY 31, 1995 (DATE OF INCEPTION)
THROUGH DECEMBER 31, 1995 AND
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1996

1. THE COMPANY

Wireless Cable & Communications, Inc. (the Company) was incorporated in Nevada on July 31, 1995. The Company is in the business of acquiring, developing, and operating wireless cable television systems. The Company owns a non-operating wireless system comprised of four channels and a leased transmitter tower in Park City, Utah, and owns a non-operating wireless system comprised of lease and license rights to a total of thirty broadcast channels in Auckland, New Zealand (consisting of ten 2.5 GHz and twenty 40 GHz channels). The Park City channels and tower rights are held through the Company's wholly-owned subsidiary, Transworld Wireless Television, Inc., a Nevada corporation ("TWTV Park City"), and the New Zealand channel rights are held through

the Company's 94.9% owned subsidiary, Auckland Independent Television Services, Ltd., a New Zealand corporation ("AITS").

The authorized number of shares of the Company's preferred stock is 5,000,000, \$0.01 par value. At December 31, 1995 and September 30, 1996, no preferred stock was issued or outstanding and no specific rights or preferences for the preferred stock had been authorized or established by the Company's Board of Directors.

The Company was formed for the purpose of continuing the development of certain business assets formerly held by Transworld Telecommunications, Inc., a Pennsylvania corporation ("TTI"). Under the terms of the business separation (the "Separation"), TTI agreed to form a new corporation to hold the separated business assets.

In order to complete the Separation, the Company was incorporated on July 31, 1995, and on August 1, 1995, it issued 3,500,000 shares of its common stock, par value \$.01 per share, to TTI in exchange for TTI's interest in AITS, TWTV Park City and certain other miscellaneous assets with a carrying value of approximately \$946,662 which represents the historical cost of TTI. The assets related to TWTV Park City and AITS were \$4,118 and \$1,278,451, respectively. TTI immediately transferred the shares in the Company to an escrow agent to be held for the benefit of TTI's shareholders of record on August 1, 1995. The distribution of the 3,500,000 shares to TTI's shareholders will be delayed until the Company and TTI have met certain requirements of the federal securities laws. The 3,500,000 shares will then be distributed to TTI shareholders of record as of August 1, 1995, on a non-pro rata basis, with the management and principal shareholder of TTI relinquishing a portion of their shares in the Company in favor of the TTI public shareholders. In general, the public shareholders will receive approximately 1.6 shares of the Company's common stock for each 10 shares of TTI common stock they held on August 1, 1995.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation - The consolidated financial statements include the accounts of the Company and its subsidiaries. The Company's subsidiaries include AITS, which as of December 31, 1995 was owned 94.9% by the Company, and TWTV Park City, which is a wholly-owned subsidiary. All significant intercompany accounts and transactions have been eliminated in the consolidation. The Company's

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subsidiaries use the U.S. dollar as their functional currency. Foreign currency translation gains and losses are included in expenses as they are incurred and were not material for the periods ended December 31, 1995 or September 30, 1996.

Use of Estimates in Preparing Financial Statements - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Prepaid License Lease Fees - Prepaid license lease fees are prepayments of annual license lease fees relating to the Company's license rights.

Investments - The Company uses the cost method of accounting for its investments in voting shares of other entities where it holds less than 20% of the voting shares of the other entity and where the Company does not exercise significant influence. As of September 30, 1996 the Company had invested a total of \$300,000 for a 3% interest in Comunicaciones Centurion, S.A., a Venezuelan company.

Equipment - Equipment consisting entirely of transmission equipment is stated at cost. Depreciation is computed using the straight-line method over the expected useful life of the assets of five years. Accumulated depreciation on the equipment was \$9,967 and \$11,917 at December 31, 1995 and September 30, 1996 respectively.

Income Taxes - The Company accounts for income taxes under an asset and liability approach that requires the recognition of deferred tax assets and liabilities for expected future tax consequences of events that have been recognized in the Company's consolidated financial statements.

New Accounting Standard - Effective January 1, 1996, the Company

adopted SFAS 121 "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of." This Statement requires that long-lived assets and certain identifiable intangibles to be held and used by an entity be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The Company does not expect the adoption of this standard in 1996 to have a material effect on its consolidated financial statements.

3. LEASE AND LICENSE AGREEMENTS

The Company has certain lease and license agreements for various multi point multi-channel distribution service (MMDS or wireless cable) channels and frequencies within New Zealand. Each license is for a specified number of channels and frequencies for a specified length of time. The licenses were obtained from TTI through the Separation and are recorded at TTI's historical cost.

The Company has three license agreements relating to ten channels in New Zealand. The first license is for six channels and consists of a three year lease expiring December 9, 1996. The accrued license lease fees balance of \$102,183 at December 31, 1995 and \$108,392 at September 30, 1996 relates to the three year lease expiring December 9, 1996. The Company has not remitted the accrued balance at September 30, 1996 of \$108,392 which represents two annual license lease fee payments. The contractual amounts of this license are denominated in New Zealand dollars which are subject to foreign exchange risk. The December 31, 1995 accrued balance of \$102,183 has been converted to U.S. dollars using the December 31, 1995 exchange rate of \$0.65. The September 30, 1996 accrued balance of \$108,392 has been converted to U.S. dollars using the September 30, 1996 exchange rate of \$0.70. The second license is for two channels and consists of an

eight year lease expiring March 1, 2001 with a guaranteed option to renew the lease for an additional four years. The third license is for two channels and consists of a ten year lease expiring September 30, 2004.

License rights are amortized using the straight-line method over the life of the leases ranging from three to twelve years. Accumulated amortization on the license rights was \$357,667 and \$488,167 at December 31, 1995 and September 30, 1996, respectively.

In addition to owning the rights to use these licenses, the Company is required to make certain license lease fee payments which vary depending on the lease. These license lease fee payments are generally paid in advance. Certain lease payments are denominated in New Zealand dollars which are subject to foreign exchange risk. Lease expense under all noncancelable operating leases totaled \$56,421 and \$107,808 for the periods from July 31, 1995 (date of inception) through December 31, 1995, and for the nine months ended September 30, 1996, respectively. Prepaid license lease fees represent prepayments of annual license lease fees and totaled \$200,962 and \$197,702 as of December 31, 1995, and September 30, 1996, respectively.

The Company is obligated to make the following future minimum lease payments which have been converted to U.S. dollars using the September 30, 1996 exchange rate of \$0.70:

Year ending December 31:	
1996	\$ -
1997	98,286
1998	98,286
1999	58,286
2000	58,286
2001	58,286
2002 and thereafter	139,157

Total future lease payments	\$510,587
	=====

4. RELATED PARTY TRANSACTIONS

The Company has entered into an agreement with TTI wherein, at TTI's sole discretion, the Company will be allowed to borrow from TTI up to \$1,000,000 for the purpose of facilitating the acquisition, operation, build-out, and maintenance of the Company's business operations. Interest on any outstanding balance will accrue at 8% per annum with the principal and interest becoming due and payable in full on August

1, 2001. As of December 31, 1995, \$231,967 plus accrued interest of \$6,439 was outstanding on the loan. As of September 30, 1996, \$796,707 plus accrued interest of \$28,127 was outstanding on the loan. The estimated fair value of this long-term debt at December 31, 1995 and September 30, 1996 was not materially different from the carrying value presented in the consolidated balance sheet.

The Company has a current liability to an entity owned by the father of the president of the Company in the amount of \$100,000 for consulting services related to the TTI acquisition of the New Zealand channel frequencies. This liability was assumed during the Separation.

In June 1996, TTI borrowed \$2,500,000 (the Loan) from Pacific Mezzanine Fund, L.P., an unrelated party. As partial consideration for making the Loan, Pacific Mezzanine Fund, L.P. remitted \$1,600 for the purchase of 145,833 shares of the Company's common stock. Because these shares were issued at below market value, the Company recorded additional interest expense of \$37,855 at the time of the stock purchase. The terms of the Loan will allow TTI to loan funds to the Company pursuant to the loan commitment agreement between the Company and TTI.

5. INCOME TAXES

Under the asset and liability approach of Statement of Financial Accounting Standards No. 109, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their existing tax bases.

The Company has federal and state net operating loss carryforwards of approximately \$9,000 and \$127,000 as of December 31, 1995 and September 30, 1996, respectively, that may be offset against future taxable income through 2010.

The long-term net deferred tax assets of \$10,000 and \$108,100 at December 31, 1995 and September 30, 1996, respectively, are fully reserved due to the uncertainty of realization and are comprised of the following:

<TABLE>
<CAPTION>

	December 31, 1995	September 30, 1996
<S>	<C>	<C>
Net operating loss carryforwards	\$3,100	\$50,900
Depreciation	400	400
Organizational expenditures	7,000	57,400
	-----	-----
Gross deferred tax asset	10,500	108,700
Less gross deferred tax liability - amortization	(500)	(600)
Deferred tax asset valuation allowance	(10,000)	(108,100)
	-----	-----
Total net deferred tax asset	NONE	NONE
	=====	=====

</TABLE>

6. GOING CONCERN

The Company's consolidated financial statements are prepared using generally accepted accounting principles applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business.

The Company's current wireless cable television assets consist of two groups of wireless cable television channel rights, four channels in the Park City, Utah area and 30 channels (consisting of the ten MMDS Channels and the twenty 40 GHZ Channels) in the Auckland, New Zealand area. Neither of these channel groupings presently comprise an operating wireless cable television system, and the Company will be required to build out the systems and initiate marketing efforts to acquire subscribers before either group of channel rights will begin generating operating income.

Since its inception, the Company has sustained net losses and negative cash flow, due primarily to start-up costs, expenses, and charges for depreciation and amortization of capital expenditures and other costs relating to its development of its wireless cable systems. The Company expects to continue to experience negative cash flow through at least

1997, and may continue to do so thereafter while it develops and expands its wireless cable systems, even if individual systems of the Company become profitable.

The Company anticipates that it will obtain the financing necessary to fund its future operations through loans, equity investments and other transactions. While there can be no assurance that the Company will secure such financing, the Company is currently in negotiations to obtain third party financing for its activities; and management believes that this funding can be obtained under terms satisfactory to the

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Company. In the event that the Company is unsuccessful in completing these financing arrangements or in obtaining substitute funding commitments, the Company would have difficulty in meeting its operating expenses, satisfying its existing or future debt obligations, or succeeding in acquiring, developing or operating a cable system or adding subscribers to such cable systems. If the Company does not have sufficient cash flow or is unable to otherwise satisfy its debt obligations, its ongoing growth and operations could be restricted or the viability of the Company could be adversely affected.

The Company has taken several actions which it believes will improve its short-term and ongoing liquidity and cash flow. These actions include establishing policies designed to conserve cash and control costs, obtaining an agreement to borrow up to \$1 million from TTI (see Note 4), and pursuing additional financing and capital resources as described above.

7. SUBSEQUENT EVENTS

On July 17, 1996, the Company entered into an agreement with Comunicaciones Centurion, S.A., ("Centurion"), to acquire up to 11.53% of its voting capital stock (1% per \$100,000 investment). Centurion is a Venezuelan corporation which holds the license rights for the 28Ghz frequencies within Venezuela. As of September 30, 1996, the Company had remitted \$300,000 to Centurion and had recorded a 3% investment in Centurion. As of December 30, 1996, the Company has remitted an additional \$140,000 for an additional 1.4% investment in Centurion. The Company has the obligation to acquire an additional 3.1% investment in Centurion for \$310,000. The Company has the right, but not the obligation, to acquire an additional 4.03% investment in Centurion for \$403,000 (for a total interest of 11.53%, which represents the maximum additional foreign ownership of Centurion that would be allowed under Venezuelan law given other existing foreign ownership positions).

On November 8, 1996, the Company entered into an agreement to acquire a controlling interest in Caracas VivaVision, T.V., S.A., a Venezuelan corporation which has entered into an agreement with Centurion to market and commercialize the 28Ghz frequencies within the country of Venezuela.

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INDEX TO EXHIBITS

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In accordance with ss.12 of the Securities Exchange Act of 1934, the Company has caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized.

Name	Title	Date
By: /s/ Lance D'Ambrosio ----- Lance D'Ambrosio	President (Principal Executive Officer) and Director	December 30, 1996
By: /s/ Paul Gadzinski ----- Paul Gadzinski	Executive Vice President	December 30, 1996
By: /s/ Anthony Sansone ----- Anthony Sansone	Secretary and Treasurer (Principal Accounting Officer)	December 30, 1996
By: /s/ Troy D'Ambrosio ----- Troy D'Ambrosio	Director	December 30, 1996
By: /s/ George Sorenson ----- George Sorenson	Director	December 30, 1996

ARTICLES OF INCORPORATION
OF
WIRELESS CABLE & COMMUNICATIONS, INC.

The undersigned natural person over the age of 18 years, acting as the incorporator of a corporation under the Nevada domestic and foreign corporation laws, as codified at Chapter 78 of the Nevada Revised Statutes ("Statutes"), adopts the following articles of incorporation for such corporation:

ARTICLE I

The name of the corporation is Wireless Cable & Communications, Inc. (the "Corporation").

ARTICLE II

The name of the natural person or corporation designated as the Corporation's resident agent and the street address of the resident agent where process may be served upon the Corporation is: The Corporation Trust Company of Nevada, One East first Street, Reno, Nevada 89501. The acknowledgment of the resident agent's acceptance of that position is set forth below.

ARTICLE III

The Corporation shall have authority to issue Twenty Million (20,000,000) shares of stock. Fifteen Million (15,000,000) of such shares are designated "Common Stock" and Five Million (5,000,000) shares are designated "Preferred Stock". The holder of each share of Common Stock and Preferred Stock shall have one vote on all matters, and shall not be entitled to vote as a class unless otherwise provided by law or by the board of directors, which may restrict the voting rights of any series of Preferred Stock in the exercise of its discretion granted pursuant to the following paragraph.

The board of directors shall prescribe the classes, series and the number of each class or series of the Preferred Stock and the voting powers, designations, preferences, limitations, restrictions and relative rights of each class or series of the Preferred Stock.

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All shares of stock shall have a par value of One Hundredth of One Dollar (.01).

ARTICLE IV

The members of the governing board of the Corporation shall be styled as "Directors". The initial board of directors shall be comprised of three directors, whose names and addresses are set forth below:

Lance D'Ambrosio
102 West 500 South Suite 320
Salt Lake City, Utah 84101

Troy D'Ambrosio
102 West 500 South Suite 320
Salt Lake City, Utah 84101

George Sorenson
102 West 500 South Suite 320
Salt Lake City, Utah 84101

ARTICLE V

The name and post office address of the incorporator signing these Articles of Incorporation is as follows:

William R. Gray
Parsons Behle & Latimer
201 South Main Street, Suite 1800
P.O. Box 45898
Salt Lake City, Utah 84145-0898

ARTICLE VI

To the fullest extent permitted by the Statutes, or any other applicable law as now in effect or as may hereafter be amended, no director or officer of this Corporation shall be personally liable to the Corporation or its stockholders for damages for breach of his or her fiduciary duty as a director or officer.

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ARTICLE VII

The Corporation shall indemnify any person who is or was a Director, officer employee or agent of the Corporation to the fullest extent allowed by the Statutes, or any other applicable law as now in effect or as may hereafter be amended, except as may be limited by the bylaws of the Corporation from time to time in effect.

ARTICLE VIII

The Corporation shall not be governed by Statutes sections 78.411 to 78.444, inclusive.

IN WITNESS WHEREOF, the undersigned has subscribed his name this 19th day of July, 1995.

/s/ William R. Gray
William R. Gray, Incorporator

STATE OF UTAH)

: ss.

COUNTY OF SALT LAKE)

I, a Notary Public, hereby certify that on the 19th day of July, 1995, personally appeared before me William R. Gray, being by me first duly sworn, declared that he is the person who signed the foregoing Articles of Incorporation as incorporator and the statements therein contained are true.

/s/ Joyce J. Pollard
Notary Public
Residing at: Salt Lake County, Utah

ACCEPTANCE BY RESIDENT AGENT

The Corporation Trust Company of Nevada hereby accepts appointment as resident agent for the Corporation.

By:/s/ Marcia J. Sunahara
Its: Assistant Vice President

BYLAWS
of
WIRELESS CABLE & COMMUNICATIONS, INC.

ARTICLE I
NAME, REGISTERED OFFICE, AND REGISTERED AGENT

Section 1. Name. The name of this corporation is Wireless Cable & Communications, Inc.

Section 2. Registered Office and Registered Agent. The board of directors shall designate and the corporation shall maintain a registered office. The location of the registered office may be changed by the board of directors. The initial registered agent of this corporation is The Corporation Trust Company of Nevada.

ARTICLE II
STOCKHOLDERS MEETINGS

Section 1. Date of Meetings. The annual meeting of the stockholders of the corporation shall be held in such month each year, at such time and on such day as shall be determined by the board of directors. This meeting shall be for the election of directors and for the transaction of such other business as may properly come before the stockholders.

Section 2. Place of Meetings. The board of directors may designate any place, either within or without the State of Nevada, as the place of meeting for any annual meeting or for any special meeting called by the board of directors. A waiver of notice signed by all stockholders entitled to vote at a meeting may also designate any place, either within or without the State of Nevada, as the place for the holding of such meeting.

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Section 3. Special Meetings. A special meeting of stockholders, other than one regulated by statute, may be called at any time by the president or by a majority of the directors, and must be called by the president upon written request of the holders of a majority of the outstanding shares entitled to vote at such meeting. Written notice of such meeting shall be given, which shall state the place, the date and the hour of the meeting, the purpose or purposes for which it is called, and the name of the person by whom or at whose direction the meeting is called. The notice shall be given to each stockholder of record in the same manner as the notice of the annual meeting. No business other than that specified in the notice of the meeting shall be transacted at any such special meeting.

Section 4. Notice of Stockholders' Meetings. The secretary shall give written notice stating the place, day, and hour of the meeting, and in the case

of a special meeting, the purpose or purposes for which the meeting is called, which shall be delivered not fewer than ten (10) or more than sixty (60) days prior to the date of the meeting, either personally or by mail, to each stockholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the stockholder at its address as it appears on the books of the corporation, with postage thereon prepaid.

Section 5. Record Date. The board of directors may fix a date not fewer than ten (10) or more than sixty (60) days prior to any meeting as the record date for the purpose of determining the stockholders entitled to notice of and to vote at such meeting of the stockholders. The transfer books may be closed by the board of directors for a stated period not to exceed sixty (60) days for the purpose of determining stockholders entitled to receive payment of any dividend, or in order to make a determination of stockholders for any other purpose.

Section 6. Quorum. Stockholders holding a majority of the voting power of the corporation, represented in person or by proxy, shall constitute a quorum at a meeting of stockholders. If a quorum is not present at a meeting, then stockholders holding a majority of the voting power

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represented may adjourn the meeting without further notice. At a meeting resumed after any such adjournment at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The stockholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of stockholders in such number that less than a quorum remains.

Section 7. Voting. Every stockholder shall be entitled to one vote for each share standing in his name on the books of the corporation, and all corporate action shall be determined by a majority of the votes cast at a meeting of stockholders entitled to vote thereon.

Section 8. Proxies. At all meetings of stockholders, a stockholder may vote in person or by proxy executed in writing by the stockholder or by his duly authorized agent. Such proxy shall be filed with the Secretary of the corporation before or at the time of the meeting. No proxy shall be valid after six (6) months from the date of its execution unless otherwise provided in the proxy.

Section 9. Informal Action by Stockholders. Any action required to be taken at a meeting of the stockholders may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the stockholders entitled to vote with respect to the subject matter thereof.

ARTICLE III

BOARD OF DIRECTORS

Section 1. General Powers. Subject to the limitations in the Nevada Revised Statutes (the "Statutes") or the articles of incorporation, the board of directors shall have full control over the affairs of the corporation. The board of directors may adopt such rules and regulations for the conduct of its

meetings and the management of the corporation as it deems proper.

Section 2. Number, Tenure and Qualification. The number of directors of the corporation shall be no fewer than three nor more than nine, as determined from time to time by the directors or

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the stockholders. Each director shall hold office until the next annual meeting of stockholders and until his or her successor shall have been elected and qualified, unless said director is removed or resigns in accordance with the provisions of these bylaws. Directors need not be residents of the State of Nevada or stockholders of the corporation.

Section 3. Regular Meetings. A regular meeting of the board of directors shall be held without other notice than by these bylaws immediately following and at the same place as the annual meeting of stockholders.

Section 4. Special Meetings. Special meetings of the board of directors may be called by any director or by the president. The secretary shall give notice of the time, place and purpose or purposes of each special meeting to each director by mailing the same at least three days before the meeting or by telephoning the same at least one day before the meeting.

Section 5. Quorum. A majority of the members of the board of directors shall constitute a quorum for the transaction of business, but less than a quorum may adjourn any meeting until a quorum shall be present, whereupon the meeting may be held. At any meeting at which every director shall be present, even though without any notice, any business may be transacted.

Section 6. Manner of Acting. At all meetings of the board of directors, each director shall have one vote. The act of directors holding a majority of the voting power of the directors at a meeting at which a quorum is present is the act of the board of directors.

Section 7. Vacancies. A vacancy in the board of directors shall be deemed to exist in case of death, resignation, or removal of any director, or if the authorized number of directors be increased, or if the stockholders fail, at any meeting of the stockholders at which any director is to be elected, to elect the full authorized number to be elected at that meeting. Any such vacancy shall be filled by the directors then in office, though less than a quorum, with the person elected to fill the

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vacancy to hold office until the next annual meeting or until his or her successor is duly elected and qualified.

Section 8. Removals. Unless otherwise provided in the Statutes or the articles of incorporation, directors may be removed from office by the vote of stockholders representing not less than two-thirds of the voting power of the

corporation. No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of his or her term of office.

Section 9. Resignation. A director may resign at any time by delivering written notification thereof to the president or secretary of the corporation. Resignation shall become effective upon its acceptance by the board of directors; provided, however, that if the board of directors has not acted thereon within ten (10) days from the date of its delivery, then the resignation shall be deemed accepted upon the tenth day.

Section 10. Presumption of Assent. A director of the corporation who is present at a meeting of the board of directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his or her dissent is entered in the minutes of the meeting or unless he files his or her written dissent to such action with the person acting as the secretary of the meeting or by registered mail to the secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who votes in favor of such action.

Section 11. Directors' Compensation. The board of directors may, by resolution, fix the compensation of directors for services in any capacity.

Section 12. Informal Action by Directors. Any action that may or is required to be taken at a meeting of directors may be taken without a meeting pursuant to the unanimous written consent of the directors of the corporation.

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Section 13. Committees. Unless prohibited by the articles of incorporation, the board of directors may designate one or more committees which have and may exercise the powers of the corporation. The names of the committees shall be stated in the resolution of the board of directors creating such committees.

Section 14. Chairman. The board of directors may elect a chairman of the board, who shall preside at all meetings of the board of directors and perform such other duties as may be prescribed from time to time by the board of directors.

ARTICLE IV

OFFICERS

Section 1. Number. The officers of the corporation shall be a president, a secretary, and a treasurer, each of whom shall be elected by a majority of the board of directors. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the board of directors. Any natural person may hold two or more offices.

Section 2. Election and Term of Office. The officers of the corporation shall be elected annually by the board of directors immediately after each annual meeting of the stockholders. If for any reason the election of officers is not held at such meeting, such election shall be held as soon thereafter as possible. Each officer shall hold office until his successor shall have been duly elected and qualified or until his resignation, removal, or death.

Section 3. Resignations. Any officer may resign at any time by delivering a written resignation either to the president or to the secretary. Unless otherwise specified therein, such resignation shall take effect upon delivery.

Section 4. Removal. Any officer or agent may be removed by the board of directors in its judgment. Any such removal shall require a majority vote of the board of directors, exclusive of the officer in question if he or she is also a director.

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Section 5. Vacancies. A vacancy in any office because of death, resignation, or removal, or if a new office shall be created, may be filled by the board of directors for the unexpired portion of the term.

Section 6. President. The president shall be the chief executive and administrative officer of the corporation. He or she shall preside at all meetings of the stockholders and, in the absence of the chairman of the board, at meetings of the board of directors if he or she has been elected as a director. The president shall exercise such duties as customarily pertain to the office of president and shall have general and active supervision over the property, business, and affairs of the corporation and over its several officers. He or she may appoint agents or employees other than those appointed by the board of directors. The president may sign, execute and deliver in the name of the corporation powers of attorney, contracts, bonds and other obligations, and shall perform such other duties as may be prescribed from time to time by the board of directors, the Statutes or by these bylaws.

Section 7. Secretary. The secretary shall, subject to the direction of the president, keep the minutes of the meetings of the stockholders and of the board of directors and, to the extent ordered by the board of directors or the president, the minutes of meetings of all committees. The secretary shall cause notice to be given of meetings of stockholders, of the board of directors, and of any committee appointed by the board. He or she shall have custody of the corporate seal, if any, and general charge of the records, documents and papers of the corporation not pertaining to the performance of the duties vested in other officers. He or she may sign or execute contracts with the president or a vice president thereunto authorized in the name of the corporation and affix the seal of the corporation thereto. The secretary shall perform such other duties as may be prescribed from time to time by the president, the board of directors or by these bylaws.

Section 8. Treasurer. The treasurer shall, subject to the direction of the president, have general custody of the collection and disbursement of the funds of the corporation. He or she shall

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endorse on behalf of the corporation for collection checks, notes and other obligations, and shall deposit the same to the credit of the corporation in such bank or banks or depositories as the board of directors may designate. The treasurer may sign, with the president or such other persons as may be designated by the board of directors, all bills of exchange or promissory notes of the corporation. He or she shall enter or cause to be entered regularly in the books of the corporation a full and accurate account of all monies received and paid by him on account of the corporation, and shall at all reasonable times exhibit his or her books and accounts to any director of the corporation upon application at the office of the corporation during business hours. The treasurer shall, whenever required by the board of directors or the president, render a statement of his accounts. He or she shall perform such other duties as may be prescribed from time to time by the president, the board of directors or these bylaws.

Section 9. Salaries. The salaries or other compensation of the officers of the corporation shall be fixed from time to time by the board of directors, except that the board of directors may delegate to any person or group of persons the power to fix the salaries or other compensation of any subordinate officers or agents. No officer shall be prevented from receiving any such salary or compensation by reason of the fact that he or she is also a director of the corporation.

ARTICLE V

CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The board of directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation; such authority may be general or confined to specific instances.

Section 2. Loans. No loan or advance shall be contracted on behalf of the corporation, no negotiable paper or other evidence of its obligation under any loan or advance shall be issued in its name, and no property of the corporation shall be mortgaged, pledged, hypothecated or transferred

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as security for the payment of any loan, advance, indebtedness or liability of the corporation unless and except as authorized by the board of directors. Any such authorization may be general or confined to specific instances.

Section 3. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the board of directors may select, or as may be selected by any officer or agent authorized to do so by the board of directors.

Section 4. Checks and Drafts. All checks, drafts, and other evidences of indebtedness of the corporation shall be signed by such officer or officers of the corporation in such manner as the board of directors from time to time may determine. Endorsements for deposit to the credit of the corporation in any

of its duly authorized depositories shall be made in such manner as the board of directors from time to time may determine.

Section 5. Bonds and Debentures. Every bond or debenture issued by the corporation shall be evidenced by an appropriate instrument and be signed by the president.

ARTICLE VI
CAPITAL STOCK

Section 1. Stock Certificates. The stock of the corporation may be represented by certificates signed by the president and by the secretary, and may bear the seal of the corporation, if any. All certificates for shares shall be consecutively numbered or otherwise identified. The name and address of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the corporation. All certificates issued by the corporation shall bear a restrictive legend similar to the following unless they are duly registered with the Securities and Exchange Commission:

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THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND MAY NOT BE SOLD, PLEDGED, OR TRANSFERRED UNLESS THEY ARE REGISTERED UNDER THE SECURITIES ACT OF 1933, OR THE COMPANY RECEIVES AN OPINION FROM COUNSEL SATISFACTORY TO IT THAT SUCH REGISTRATION IS NOT REQUIRED FOR SALE OR TRANSFER, OR THAT THE SHARES HAVE BEEN LEGALLY SOLD IN BROKER TRANSACTIONS PURSUANT TO RULE 144 OF THE RULES AND REGULATIONS OF THE SECURITIES AND EXCHANGE COMMISSION.

No new certificate shall be issued in exchange for the surrender or transfer of shares until the former certificate is surrendered to the corporation and canceled, except that in case of a lost, destroyed or mutilated certificate, a new one may be issued therefor upon such terms and indemnity to the corporation as the board of directors may prescribe.

Section 2. Uncertificated Shares. The corporation may issue uncertificated shares of any class or series of the corporation's stock. Within a reasonable time after the issuance or transfer of uncertificated shares, the corporation shall send the stockholder a written statement confirming the information required on the certificates pursuant to section 78.235(1) of the Statutes.

Section 3. Transfer of Shares. Transfer of shares of the corporation shall be made only on the stock transfer books of the corporation by the holder of record thereof or by his legal representative (who shall furnish proper evidence of authority to transfer) or by his attorney thereunto authorized by power of attorney duly executed and filed with the secretary of the corporation, and on surrender for cancellation of the certificate for such shares, if any. The person in whose name shares stand on the books of the corporation shall be deemed by the corporation to be the owner thereof for all purposes.

Section 4. Transfer Agent and Registrar. The board of directors shall have power to appoint one or more transfer agents and registrars for the transfer and registration of certificates of stock of any class, and may require that stock certificates shall be countersigned and registered by one or more of such transfer agents and registrars.

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Section 5. Lost or Destroyed Certificates. The board of directors may direct a new certificate to be issued to replace any certificate theretofore issued by the corporation and alleged to have been lost or destroyed if the new owner swears by affidavit that the certificate is lost or destroyed. The board of directors may, at its discretion, require the owner of such certificate or his legal representative to give the corporation a bond in such sum and with such sureties as the board of directors may direct to indemnify the corporation and transfer agents and registrars, if any, against claims that may be made on account of the issuance of such new certificates.

Section 6. Consideration for Shares. The capital stock of the corporation shall be issued for such consideration, but not less than the par value thereof, if any, as shall be fixed from time to time by the board of directors. Such consideration may be in the form of cash, property, or prior services rendered to the corporation, subject to the requirements of the Statutes, but not in contemplation of future services to the corporation. In the absence of fraud, the determination of the board of directors as to the value of any property or services received in full or partial payment of shares shall be conclusive.

Section 7. Registered Stockholders. The corporation shall be entitled to treat the holder of record of any share or shares of stock as the holder thereof, in fact, and shall not be bound to recognize any equitable or other claim to or interest in the shares.

ARTICLE VII
WAIVER OF NOTICE

Whenever any notice is required to be given to any stockholder or director of the corporation under the provisions of these bylaws, or under the provisions of the articles of incorporation, or under the provisions of the Statutes, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving

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of such notice. Attendance at any meeting shall constitute a waiver of notice of such meeting, except where attendance is for the express purpose of objecting to the legality of that meeting.

ARTICLE VIII
AMENDMENTS

These bylaws may be altered, amended, repealed, or new bylaws adopted by a majority of the entire board of directors at any regular or special meeting. Any bylaw adopted by the board may be repealed or changed by action of the stockholders.

ARTICLE IX
FISCAL YEAR

The fiscal year of the corporation shall be fixed and may be varied by resolution of the board of directors.

ARTICLE X
DIVIDENDS

The board of directors may at any regular or special meeting, as it deems advisable, declare dividends payable out of the surplus of the corporation.

ARTICLE XI
CORPORATE SEAL

The corporation may adopt an official seal which shall bear the name of the corporation and the state and year of incorporation.

* * * * *

This is to certify that the foregoing bylaws were adopted by the board of directors of the corporation on August 1st, 1995.

/s/ Anthony Sansone
Anthony Sansone, Secretary

AGREEMENT AND PLAN OF REORGANIZATION

THIS AGREEMENT AND PLAN OF REORGANIZATION ("Agreement") is made effective as of August 1, 1995, between TRANSWORLD TELECOMMUNICATIONS, INC., a Pennsylvania corporation ("Transworld") and WIRELESS CABLE & COMMUNICATIONS, INC., a Nevada corporation ("Wireless").

R E C I T A L S:

A. Wireless was recently formed by Transworld.

B. Pursuant to a plan of reorganization in accordance with ss.ss. 355 and 368(a)(1)(D) of the Internal Revenue Code of 1986, as amended, Transworld intends to transfer certain assets and liabilities to Wireless in accordance with the terms of the Assignment and Assumption Agreement dated of even date herewith and in the form attached as Exhibit A hereto, as well as such additional documents of transfer as are necessary or appropriate to vest such assets and liabilities in Wireless (collectively, the "Assignment Documents"), in exchange for all of the outstanding shares of Wireless, consisting of 3.5 million Wireless common shares, par value \$.01 (the "Wireless Shares").

C. Transworld intends to transfer the Wireless Shares to its shareholders on a non-pro rata basis and in accordance with the terms of this Agreement.

NOW, THEREFORE, it is mutually agreed as follows:

1. Transfers to Wireless. Transworld shall transfer, assign, and deliver to Wireless the assets set forth on Schedule A to Exhibit A hereto ("Assets"), subject to the liabilities and obligations described thereon or arising from the ownership thereof, whether absolute, accrued, contingent or otherwise ("Liabilities"), as of the Closing Date, as described below. Any tangible portions of the

Assets shall be deemed to be transferred "as is," and without any warranty other than any transferable manufacturer's warranties.

2. Closing. The closing of the transactions described herein (the "Closing") shall be held as soon as possible and within five business days after the satisfaction of the conditions described in paragraph 4 (the "Closing Date"). The Closing shall be held at the offices of Parsons Behle & Latimer, 201 South Main Street, Suite 1800, Salt Lake City, Utah.

3. Transfer of the Shares. Immediately after the transfer of the Assets and Liabilities to Wireless, Transworld shall transfer to Fidelity Transfer Company, of Salt Lake City, Utah ("Fidelity"), all of the Wireless Shares, to be held in escrow by Fidelity for the benefit of the shareholders of Transworld pursuant to the terms of the Escrow Agreement in the form attached hereto as

Exhibit B. The Wireless Shares shall be transferred to Fidelity in its escrow capacity by delivery to Fidelity of a certificate in the name of Fidelity as escrow agent for Transworld's shareholders. The number of Wireless Shares to be held by Fidelity for the benefit of each of Transworld's shareholders shall be as set forth on Schedule A to the Escrow Agreement. No fractional Wireless Shares shall be issued to Transworld's shareholders, and any Transworld shareholders who would otherwise receive a fractional Wireless Share shall receive an additional full Wireless Share, with the difference to be obtained from the Wireless Shares otherwise due one or more of the executive officers and/or directors of Transworld. All such Wireless Shares shall be held and distributed by Fidelity in accordance with the terms of the Escrow Agreement.

4. Conditions to Closing. The parties' obligations to Close hereunder shall be conditioned upon the satisfaction of the following conditions:

(a) The execution and delivery by Transworld and Wireless of the Assignment Documents;

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(b) The execution and delivery by Transworld and Fidelity of the Escrow Agreement; and

(c) The negotiation, execution and delivery by Transworld and Wireless of a funding commitment and ancillary documents thereto (the "Commitment"), pursuant to which Transworld shall agree to loan to Wireless, during the twelve month period beginning as of the Closing Date, up to \$1 million on commercially reasonable terms for the purpose of building out and marketing wireless television cable operations in the United States and foreign countries, including, specifically, New Zealand.

5. Securities Laws Filings. Each of Wireless and Transworld shall take all reasonable actions necessary to prepare and file, and shall cooperate with one another in the preparation and filing of, all documents and statements necessary or appropriate to (i) effectuate the registration by Wireless of the Wireless Shares on Form 10 under the Securities Exchange Act of 1934, as amended (the "Act"), (ii) provide to Transworld's shareholders disclosure materials materially in compliance with the requirements of Regulations 14A and/or 14C of the Act, and (iii) comply with any other federal or state securities laws requirements relating to the transactions described herein.

6. Warranties, Representations and Agreements of Transworld. Transworld represents, warrants and agrees that the following statements are true, correct and complete:

(a) Organizational and Good Standing. Transworld is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania, with full power and authority to execute, deliver and perform the terms of this Agreement, the Commitment, the Assignment Documents and the Escrow Agreement. No authorization of, consent or approval by, and no notice to, or filing with, any governmental department, commission, or instrumentality, or any other person, is or will be necessary for the valid

execution or performance by Transworld of this Agreement, the Assignment Documents, the

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Commitment or the Escrow Agreement, or the consummation of the transactions contemplated hereby or thereby. Transworld is not subject to any agreement which prohibits or would be breached by the execution or performance of this Agreement, the Assignment Documents, the Commitment or the Escrow Agreement, or the consummation of the transactions contemplated hereby or thereby. This Agreement, the Assignment Documents, the Commitment and the Escrow Agreement have been duly authorized by Transworld and, when executed and delivered as contemplated hereby, will constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights generally and general principles of equity.

(b) Assets. As of the Closing Date, Transworld will be the lawful owner of the Assets, free and clear of all liens, encumbrances, restrictions and claims of every kind, except for the Liabilities and imperfections of title and encumbrances, restrictions and claims which do not materially interfere with the present use or value of the Assets.

(c) Transfer. Subject to the provisions of this Agreement regarding the distribution of the Wireless Shares to Fidelity in accordance with the terms of the Escrow Agreement, Transworld will not transfer, distribute, assign or convey the Wireless Shares to any party other than its shareholders.

7. Warranties, Representations and Agreements of Wireless. Wireless represents, warrants and agrees that the following statements are true, correct and complete:

(a) Organization and Good Standing. Wireless is a corporation duly organized, validly existing and in good standing under the laws of the State of Nevada, with full power and authority to execute, deliver and perform the terms of this Agreement, the Commitment and the Assignment Documents. No authorization of, consent or approval by, and notice to, or filing with, any governmental department, commission, or instrumentality, or any other person, is or will be

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necessary for the valid execution or performance by Wireless of this Agreement, the Assignment Documents or the Commitment, or the consummation of the transactions contemplated hereby or thereby. Wireless is not subject to any agreement with prohibits or which would be breached by the execution or performance of this Agreement, the Assignment Documents or the Commitment, or

the consummation of the transactions contemplated hereby or thereby. This Agreement, the Assignment Documents and the Commitment have been duly authorized by Wireless and, when executed and delivered as contemplated hereby, will constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws effecting the enforcement of creditors' rights generally and general principles of equity.

(b) Wireless Shares. The Wireless Shares, when issued at Closing, shall be duly authorized and issued, fully paid and non-assessable common shares of Wireless, subject to no liens, restrictions, options, commitments or encumbrances of any kind or character, or any security or other interest whatsoever.

8. Miscellaneous.

(a) Further Assurances. Each of the parties will execute, acknowledge and deliver, and cause to be done, executed, acknowledged and delivered, without further consideration, all such further documents, instruments, acts, assignments, transfers and assurances as shall be required in order to carry out this Agreement, the Assignment Documents, the Commitment and the Escrow Agreement, and to give effect hereto and thereto.

(b) Successors and Assigns. This Agreement shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns, provided that no party hereto may assign its rights or obligations hereunder without the prior consent of the other party hereto. There are no intended third party beneficiaries of this Agreement.

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(c) No Waiver. This Agreement may not be modified or discharged, nor may any of its terms be waived, except by an instrument in writing, signed by the party to be charged.

(d) Counterparts. This Agreement may be executed in any number of counterparts, and each such counterpart will for all purposes be deemed an original, and all such counterparts shall together constitute one and the same instrument. Facsimile transmission of a counterpart signature shall constitute delivery of an original counterpart signature.

(e) Enforcement, etc. This Agreement was negotiated, documented and shall be performed in the State of Utah, which is the site of the primary business office of each of Transworld and Wireless. The validity, enforcement and construction of this Agreement shall be governed in all respects by the law applicable to contracts made and intended to be performed in the State of Utah. This Agreement (including exhibits and schedules hereto, all of which are incorporated herein) sets forth the entire understanding of the parties hereto with respect to the subject matter hereof.

(f) Captions. Captions are inserted herein for convenience only and will not be given any legal effect.

(g) Severability. If any provision of this Agreement shall be invalid, or shall be inoperative or unenforceable in any particular case, such

circumstances shall not render the provision invalid or inoperative or unenforceable in any other case, or render any other provision herein contained invalid, inoperative or unenforceable to any extent.

(h) Indemnification. Each of Wireless and Transworld hereby agrees to indemnify and hold the other party (and its respective officers, directors, employees and agents) harmless from any and all costs, liabilities, expenses and fees (including reasonable attorneys fees) arising from any material breach of any representation or nonperformance by it hereunder. In the event either party is forced to enforce the terms of this Agreement through legal action, that party shall be entitled to

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receive from the other party the costs and expenses of such enforcement action, including reasonable attorneys fees.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth on the first page hereof.

TRANSWORLD TELECOMMUNICATIONS, INC.

By: /s/ Troy D'Ambrosio
Its: Vice President

WIRELESS CABLE AND COMMUNICATIONS,
INC.

By: /s/ Lance D'Ambrosio
Its: President

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ESCROW AGREEMENT BETWEEN FIDELITY TRANSFER COMPANY,
TTI AND THE COMPANY

ESCROW AGREEMENT

THIS ESCROW AGREEMENT ("Escrow Agreement") is entered into effective as of the 1st day of August, 1995, by and among TRANSWORLD TELECOMMUNICATIONS, INC., a Pennsylvania corporation ("Transworld"), WIRELESS CABLE & COMMUNICATIONS, INC., a Nevada corporation ("Wireless"), and FIDELITY TRANSFER COMPANY, a Utah corporation ("Fidelity"), with reference to the following facts:

A. Transworld and Wireless are parties to that certain Agreement and Plan of Reorganization of even date herewith (the "Plan") under which Transworld and Wireless will enter into a transaction in compliance with the provisions of ss. 355 and ss. 368(a)(1)(D) of the Internal Revenue Code of 1986, as amended, and pursuant to which Wireless will issue to Transworld, and Transworld will thereafter distribute to its shareholders, 3,500,000 common shares of Wireless (the "Wireless Shares").

B. Wireless and Transworld have agreed that, immediately after the issuance by Wireless of the Wireless Shares to Transworld, the Wireless Shares will be delivered by Transworld to Fidelity, to be held in accordance with the terms and conditions of this Escrow Agreement, pending the compliance by Transworld and Wireless of certain disclosure and registration requirements set forth in the federal securities laws.

C. Fidelity acts as transfer agent for Transworld's securities, and is familiar with and maintains, Transworld's shareholder records.

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D. Fidelity has agreed to act as escrow agent hereunder, and is willing to accept delivery of, and to hold, the Wireless Shares on the terms and subject to the conditions of this Escrow Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Appointment of Escrow Agent. Wireless and Transworld hereby appoint and designate Fidelity as escrow agent hereunder. Fidelity accepts such appointment, subject to the terms and conditions hereof.

2. Compensation. Transworld shall pay to Fidelity the amount of Five Hundred Dollars (\$500) as full compensation for its services hereunder. Such amount shall be in addition to any amounts due or payable to Fidelity under the provisions of paragraph 5.

3. Term of Escrow. The term of the escrow established hereunder (the "Escrow") will begin as of the date of the initial deposit of the Escrow

Documents, as described below, into the Escrow, and will continue thereafter until terminated as provided in this Escrow Agreement.

4. Fidelity Instructions. Fidelity's conduct hereunder will be subject to the terms and conditions specified in the other provisions of this Escrow Agreement and to the specific instructions set forth in this paragraph 4.

(a) Concurrently with the Closing of the Plan, Transworld will deliver to Fidelity, for deposit into the Escrow, the following certificates, documents, instruments, and agreements (the "Escrow Documents"): (i) the Wireless Shares, represented by one certificate in the name of Fidelity, as escrow agent for Transworld's shareholders; and (ii) such other documents, instruments, stock powers, endorsements or agreements as may be necessary or appropriate for the transfer of the Wireless Shares to the shareholders of Transworld on the books and records of Wireless, in

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accordance with their respective interests as set forth on Schedule "A" attached hereto, upon their release by Fidelity as provided herein.

(b) Upon the receipt by Fidelity of (i) the Escrow Documents; and (ii) written notices (the "Release Notices") from both Wireless and Transworld that they have complied with all requirements of the federal securities laws necessary for the distribution of the Wireless Shares to Transworld's shareholders (including the filing of a Form 10 under the Securities Exchange Act of 1934, as amended (the "Act"), and/or proxy or disclosure materials providing substantially all of the information required by Regulation 14A and/or 14C of the Act), Fidelity will, and is hereby instructed to, release the Escrow Documents and to cause to be prepared and delivered to the respective Transworld shareholders at the addresses set forth in the shareholders books and records of Transworld, as maintained by Fidelity, separate certificates for the Wireless Shares in the respective amounts set forth on Schedule "A". Upon Fidelity's delivery of the Escrow Documents in accordance with the provisions of this paragraph, this Escrow Agreement will terminate.

(c) If Transworld does not deposit the Escrow Documents, and/or the Escrow Agent has not received the Release Notices from Transworld and Wireless on or before February 1, 1996 (or such other date as Transworld and Wireless will designate by written notice to Fidelity on or before February 1, 1996), Fidelity is hereby instructed to return the Escrow Documents to Transworld, at which time this Escrow Agreement will terminate.

5. Escrow Agent Terms. The acceptance by Fidelity of its obligations hereunder is subject to the following terms and conditions:

(a) Transworld hereby agrees to pay to Fidelity any and all costs or expenses incurred by it in connection with the actions taken hereunder, and to pay to Fidelity such other amounts as shall be incurred by Fidelity in its capacity as transfer agent for Transworld in connection with the transactions described herein (including, without limitation, such certificate and document

preparation fees, stock record transfer fees and other costs and expenses as Transworld and Fidelity shall agree upon).

(b) In performing any of its duties under this Escrow Agreement, or upon the claimed failure to perform hereunder, Fidelity shall not be liable to anyone for any damages, losses, or expenses which may occur as a result of Fidelity so acting or failing to act; provided, however, that Fidelity will be liable for damages arising out of its negligence or willful default under this Escrow Agreement. Accordingly, Fidelity will not incur any liability with respect to (i) any action taken or omitted to be taken by it in good faith upon written advice by independent counsel given with respect to any questions relating to the duties and responsibilities of the escrow agent hereunder, or (ii) any action taken or omitted to be taken in reliance upon any document, including any written notice or instructions provided for in this Escrow Agreement, the truth and accuracy of any information contained therein which Fidelity in good faith believes to be genuine, to have been signed or presented by the proper person or persons, and to conform with the provisions of this Escrow Agreement.

(c) Transworld hereby agrees to indemnify and hold Fidelity harmless against and from any and all losses, claims, damages, costs, liabilities and expenses, including without limitation, reasonable costs of investigation and counsel fees and disbursements (the "Claims") incurred by it arising from any litigation relating to the provisions of this Escrow Agreement; provided, however, that if Fidelity is found guilty of willful default under this Escrow Agreement, then in that event, Fidelity will bear all Claims relating to such willful default and, in addition, will be liable to Wireless and Transworld for their damages, costs, or losses arising from such action by Fidelity.

(d) Fidelity will be bound only by the terms of this Escrow Agreement and will not be bound by or incur any liability with respect to the Plan or any other document or understanding of Wireless and Transworld except as expressly provided herein. Fidelity will not have any duties hereunder except those specifically set forth herein.

6. Full Force and Effect. The parties hereby expressly consent to the terms of this Escrow Agreement and agree that it will be given full force and effect.

7. Entire Agreement. This Escrow Agreement sets forth the entire understanding of the parties as to the matters set forth herein and cannot be altered or otherwise amended except pursuant to an instrument, in writing,

signed by all of the parties hereto.

8. Governing Law. This Escrow Agreement will be governed by and interpreted in accordance with the laws of the State of Utah, without giving effect to the choice of law provisions thereof.

9. Counterparts. This Escrow Agreement may be executed in any number of counterparts and/or telecopied counterparts, each of which, when executed and delivered, will be deemed an original, but all of which will together constitute one and the same instrument.

10. Binding Agreement. This Escrow Agreement will be binding upon and will inure to the benefit of the parties hereto and their heirs, personal representatives, successors, and assigns.

11. Authorizations. Each individual executing this Escrow Agreement hereby represents and warrants to each other person so signing (and to each other entity for which another person may be signing) that he has been duly authorized to execute and deliver this Escrow Agreement in the capacity of the person or entity set forth for which he so executes this Escrow Agreement.

12. Notices. All notices required or permitted hereunder must be made in writing to the party to be notified and at the address noted for such party below. Notices delivered by United States mail will be deemed delivered two days after deposit in the United States mail, postage prepaid; notices delivered by facsimile or in person will be deemed made when actually received by such party with confirmation.

13. Time of Essence. Time is of the essence hereof.

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IN WITNESS WHEREOF, the parties have executed this Escrow Agreement as of the date first shown above.

TRANSWORLD TELECOMMUNICATIONS, INC.

By:/s/ Troy D'Ambrosio
Its:Vice President

WIRELESS CABLE & COMMUNICATIONS, INC.

By:/s/ Lance D'Ambrosio
Its:President

By:/s/ Linda Kener
Its:President

COMMITMENT AGREEMENT BETWEEN THE COMPANY AND TTI

COMMITMENT AGREEMENT

THIS COMMITMENT AGREEMENT ("Commitment") is entered into effective as of the 1st day of August, 1995, by and between TRANSWORLD TELECOMMUNICATIONS, INC., a Pennsylvania corporation ("Transworld") and WIRELESS CABLE & COMMUNICATIONS, INC., a Nevada corporation ("Wireless"), with reference to the following:

A. Wireless was recently formed by Transworld for the purpose of holding, acquiring and developing wireless cable television rights and other communications-oriented businesses in the United States and in foreign countries.

B. Pursuant to the terms of that certain Agreement and Plan of Reorganization (the "Plan") dated of even date herewith, Transworld assigned, conveyed and contributed to Wireless, in exchange for 3,500,000 of Wireless's common shares, par value \$.01 (the "Wireless Shares"), certain rights in and to wireless cable television rights in the United States and New Zealand, together with certain miscellaneous other assets.

C. In order to provide for the efficient and effective administration and operation of Wireless in the conduct of its business, including, specifically, the acquisition of certain assets, equipment and rights necessary to build-out its wireless cable television business, Transworld as agreed and committed to loan to Wireless, during the 12 month period beginning as of the date hereof, up to a total of One Million United States Dollars (U.S. \$1,000,000), subject to the terms and conditions hereof.

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NOW, THEREFORE, in consideration of the foregoing recitals and other valuable consideration, Transworld and Wireless agree as follows:

1. Commitment. Subject to the provisions of paragraph 4 below, Transworld hereby commits to loan to Wireless up to a maximum of U.S. \$1,000,000, or any portion thereof, at any time, and from time to time, between the date hereof and the first annual anniversary of this Commitment. All amounts advanced by Transworld pursuant to the terms of this Commitment (i) shall be advanced in accordance with its terms and shall be repaid to Transworld, together with interest thereon (and such additional advances, costs and charges as may become due and owing under the terms of this Commitment), from time to time as hereinafter provided, (ii) shall, at the election of Transworld, be evidenced by one or more promissory notes (the "Notes") containing standard commercial loan provisions not inconsistent with the terms of this Commitment;

and (iii) shall be subject to the following terms and conditions:

(a) Interest Rate. All amounts advanced hereunder shall bear interest at the rate of eight (8%) per annum until repaid in full.

(b) Payment Terms. The amounts advanced hereunder shall be due and payable in full on August 1, 2001. At the option of Wireless, and subject to the conditions and terms provided herein, such obligation may be converted to a term loan, which shall be payable in monthly payments of principal and interest, with a maturity date ten (10) years from the first day of the month following the conversion to the term loan. The monthly payment of principal and interest for the term loan shall be based upon a ten (10) year monthly payment amortization. In order for the amounts advanced hereunder to be extended and converted into a term loan (i) Wireless shall not be in default under this Commitment, or any of the documents executed in connection with this Commitment (collectively, the "Commitment Documents"); (ii) there shall be no material change in Wireless's

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financial condition which Transworld shall reasonably determine to be materially adverse to Wireless or to materially increase Transworld's risk of non-payment or non-performance hereunder or under any of the Commitment Documents; (iii) the construction and build-out of the business of Wireless shall, in the sole opinion of Transworld, be substantially in accordance with the terms and conditions of a projected schedule of build-out as agreed to by the parties; and (iv) Wireless shall provide to Transworld all requested documentation relating to the Commitment hereunder, including the uses of the proceeds advanced pursuant to this Commitment,

2. Use of Advances. Wireless shall use the amounts advanced hereunder solely for the purposes of (i) acquiring, owning, building-out and operating wireless cable television systems and operations in the United States and in foreign countries, including without limitation, New Zealand; (ii) for the payment of general administrative and office expenses incurred by Wireless in connection with those operations (including salaries of employees, management and officers of Wireless), all in accordance with the budget to be agreed upon by the parties; and (iii) for such other purposes as Transworld shall agree to in writing. No amounts advanced hereunder shall be used for general investments unless such investment is for a period of not more than 30 days and pending expenditure of such funds for the purposes set forth in this paragraph.

3. Security. Upon the request of Transworld at any time during the term of this Commitment or at any time before the payment in full of all amounts advanced hereunder, Wireless shall grant to Transworld a security interest in and to all or part of its assets, contracts, accounts receivable, equipment, cash, marketable securities, general intangibles, lease and license rights, subscription contract rights and interest in all personal or real property. Unless otherwise agreed to in writing by Transworld, the security interest(s) granted hereunder shall be first priority security interests.

4. Further Commitments. Transworld shall have the right, but not the obligation, to fund after an Event of Default (as defined below) under this Commitment, amounts in excess of or amounts constituting part of the Commitment, from time to time, to pay accrued and unpaid interest, to complete construction or build-out of Wireless's wireless cable operations or to correct any defaults of Wireless in any of the Commitment Documents. Any such amounts so funded shall be deemed to be part of this Commitment, shall bear interest at the interest rate specified in paragraph 1(a) and, if a security interest in the property of Wireless has been granted to Transworld in accordance with the provisions of paragraph 3 above, shall also be secured by such assets. Promptly upon Transworld's request, Wireless hereby agrees to execute any additional Notes or other additional Commitment Documents (or modifications thereto) in favor of Transworld, which shall further evidence and secure the amounts funded in accordance with this paragraph.

5. Conditions For and Use of Loan Commitment Proceeds. In addition to the other requirements set forth herein, Transworld shall be obligated to make disbursements to or for the benefit of Wireless under this Commitment if, and only so long as, all of the following conditions are satisfied at the time of such disbursement:

(a) Full Compliance. Wireless is in full compliance with all of its obligations under the Commitment Documents, and no event has occurred which constitutes or would, with the passage of time or giving of notice or both, constitute an event of default under any of the Commitment Documents.

(b) No Suits. There are no actions, suits or proceedings pending or, to Wireless's knowledge, threatened against or affecting Wireless or its business operations, at law or in equity, or before any governmental authority, which if adversely determined would impair the ability of Wireless to complete the build-out and operation of its wireless cable operations in accordance with

the provisions hereof and to pay, when due, any amounts which become payable under the Commitment Documents.

(c) Compliance with Laws. Wireless shall be in compliance with all material federal, state, national and local laws, statutes, acts, ordinances, rules, regulations and any other requirements governing its business.

(d) Financial Disclosure. Wireless shall be in compliance with the financial disclosure requirements set forth in paragraph 7.

(e) Security Documents. If requested by Transworld under paragraph 3, Wireless has submitted to Transworld all security documents and

other instruments, agreements or certificates, necessary or appropriate to grant and perfect Transworld's security interest in Wireless's assets.

(f) Request for Advance. Transworld shall have received from Wireless a completed Request for Advance, in a form reasonably acceptable to Transworld and as described in paragraph 6.

(g) No Breach of Commitment Documents. Wireless shall not be breach of any of the representations, warranties or covenants set forth in the Commitment Documents.

(h) Available Advancement Amounts. Transworld shall have Advanceable Amounts, as hereafter defined, sufficient for such advance. As used herein, the term "Advanceable Amounts" shall be such amounts from Transworld's cash flow, accounts receivable and/or other amounts payable to it as its shall reasonably (and in its sole discretion) determine are available for advance to Wireless pursuant to the terms of this Commitment without materially and adversely affecting Transworld's ability to conduct its ongoing business operations and meet its obligations as they become due. Advanceable Amounts shall be determined by Transworld on a monthly basis or more frequently as may be required in order to meet the requirements of this Commitment and, upon

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Wireless's request, Transworld shall deliver to Wireless within 5 days of such request a statement showing such Advanceable Amounts. Nothing in this Commitment or in any of the Commitment Documents shall require Transworld to advance to Wireless any amounts in excess of the Advanceable Amounts. Notwithstanding the foregoing, Transworld believes that the Advanceable Amounts available to it during the term of this Commitment shall be sufficient to fund the entire commitment specified in paragraph 1 above.

6. Request for Advances and Method of Disbursement. Wireless shall submit Requests for Advances to Transworld in such form as shall be reasonably acceptable to Transworld. Each such Request for Advance shall be delivered to Transworld at least ten (10) days before the date the advance is desired, and Wireless shall be entitled only to such amount as may be approved by Transworld. All Requests for Advances shall constitute a representation and warranty by Wireless to Transworld that all representations and warranties of Wireless in the Commitment Documents are true at the time of and as if the Requests for Advance, and that all funds previously disbursed by Transworld to or on behalf of Wireless hereunder have been expended for the purposes set forth herein. Disbursements pursuant to any Request for Advance may be made by Transworld, at its election, (i) by crediting Wireless's deposit account(s) with the amount of such disbursement, (ii) by delivering funds to Wireless jointly with any materialman, laborer or subcontractor engaged in the business of building-out Wireless's wireless cable televisions systems, or (iii) by delivering funds to any subcontractor, materialman or creditor of Wireless, for the benefit of Wireless, as Transworld reasonably determines is entitled to payment in connection with the business of Wireless.

7. Accounting and Financial Records and Statements. Wireless

agrees to keep detailed accounts and records in accordance with sound accounting practices, and to make available to Transworld at reasonable times all books, statements, invoices, receipted bills, orders and other

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records relating to its business operations, and to furnish Transworld, upon Transworld's request, with copies of the same. During such time as any amounts advanced hereunder shall remain unpaid to Transworld, Wireless shall submit to Transworld full and complete financial statements for Wireless in accordance with the requirements set forth below. All statements submitted to Transworld shall be prepared in accordance with generally accepted accounting principles applied on a consistent basis. The financial statements to be furnished to Transworld shall be as follows:

(a) Within ninety (90) days of the end of Wireless's fiscal year, copies of its audited financial statements, including without limitation a balance sheet and statement of income and loss.

(b) Within sixty (60) days of the end of each fiscal quarter, unaudited copies of its financial statements, including balance sheets and statements of income or loss.

(c) All financial statements shall include such schedules and footnotes as shall be necessary to present fully or explain the information contained in the financial statements.

(d) If Wireless is a reporting company in accordance with the rules and regulations of the Securities Exchange Act of 1934, it shall also provide to Transworld its annual report to stockholders on Form 10-K and/or 10-KSB.

8. Events of Default. Upon the occurrence of any event of default, as defined below, Wireless shall have the right to cure any monetary default within ten (10) days after the due date without such event otherwise constituting a default, and for any non-monetary default Wireless will have the opportunity to cure that default within thirty (30) days after written notice to Wireless of that event of default. If Wireless is reasonably and diligently acting to cure a non-monetary default, the event shall not be an event of default. The following constitute events of default (the "Events of Default"):

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(a) Non-Payment. The failure to pay in full, when due, any payment required hereunder or under any note or any other Commitment Document.

(b) Advance Condition. The failure of Wireless to satisfy any condition to its right to its receipt of an advance hereunder for a period in excess of thirty (30) days after the request for such advance.

(c) Breach. The breach or default by Wireless of or under any covenant, warranty, agreement, representation, performance or requirement contained in this Commitment or the Commitment Documents, or if any covenant, warranty, agreement or representation by Wireless shall prove to be false or misleading.

(d) Suit. A suit shall be filed against Wireless which, if adversely determined, could substantially impair the ability of Wireless to pay and perform each of its obligations under and by virtue of the Commitment Documents.

(e) Insolvency. The filing of any petition of the commencement of any case or proceeding by or against Wireless under any federal or state law relating to insolvency, bankruptcy or reorganization, unless such petition in the case or proceeding initiated thereby is dismissed within thirty (30) days from the date of such filing; or an adjudication that Wireless is insolvent or bankruptcy; or the entry of an order for relief under the federal bankruptcy code with respect to Wireless; or the appointment of or the taking of possession by a custodian, trustee or receiver for all or any assets of Wireless, unless such appointment is vacated or dismissed or such possession is terminated within thirty (30) days from the date of such appointment or the commencement of such possession.

Upon the occurrence any of any Event of Default which remains uncured as described above, Transworld's obligation to make further disbursements of the proceeds under this Commitment shall cease and it shall have the right, in addition to all other rights and remedies available to lenders or creditors under federal or state law, to accelerate the payment of any Notes issued in accordance with terms of the Commitment Documents, appoint a receiver or seek appointment of a receiver, or exercise any other right or privilege or remedy available to it provided by applicable law or in equity.

9. Miscellaneous.

(a) Governing Law. This Commitment and the rights and obligations of the parties to it shall be governed by and be construed in accordance with the laws of the State of Utah.

(b) Binding Agreement. This Commitment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party's obligations and rights under this Commitment are assignable without the prior written consent of the other party.

(c) Amendment. This Commitment may be amended or modified only by written agreement executed by all of the parties to it.

(d) Integration. No oral covenants, agreements, representations or warranties of any kind whatsoever have been made by any party hereto except as specifically set forth in this Commitment. This Commitment (and the other Commitment Documents) constitutes a single, integrated written contract expressing the entire agreement of the parties hereto relative to the

subject matter hereof.

(e) Counterpart Execution. This Commitment, including facsimile transmissions of it, may be executed in separate counterparts and shall be effective when such counterparts have been exchanged among the parties.

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(f) Survival of Representations. All representations and warranties contained in this Commitment shall survive the execution and performance of this Commitment.

(g) Duty to Cooperate. The parties hereto shall cooperate fully with one another in order to effectuate the terms and conditions of this Commitment and they shall take all such actions and execute any and all documents, and vote in favor of all such proposals, as shall be necessary or appropriate to effectuate the intent and purposes of this Commitment.

(h) Attorneys' Fees and Costs. If any party to this Commitment employs attorneys (i) to remedy, prevent or obtain relief from a breach or default of this Commitment, or (ii) because of a breach or default of this Commitment, the defaulting or breaching party shall reimburse upon demand to the prevailing party all of the prevailing party's reasonable attorneys' fees, whether or not suit is filed, and including, without limitation, those fees incurred in any and all appeals and petitions therefrom.

(i) Facsimile (Fax) Documents. Facsimile transmission of any signed original document and retransmission of any signed facsimile transmission shall be the same as delivery of an original.

TRANSWORLD TELECOMMUNICATIONS, INC.

By: /s/ Troy D'Ambrosio
Its: Vice President

WIRELESS CABLE & COMMUNICATIONS, INC.

By: /s/ Lance D'Ambrosio
Its: President

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LETTER OF UNDERSTANDING WITH DECATHLON COMMUNICATIONS, INC.

[Company Letterhead]

June 26, 1995

Martin Frankel
President
Decathlon Communications, Inc.
7600 E. Eastman Avenue, Suite 406
Denver, CO 80231

Dear Martin:

This letter is to confirm our understanding that Decathlon Communications, Inc., (Decathlon) has granted Transworld Telecommunications, Inc., (TTI) its assigns or designees the exclusive country- wide rights to deploy Decathlon's digital compression technology in New Zealand. Transworld anticipates ordering 10 compression systems and up to 200,000 set-tops over several years.

This agreement is subject to the negotiation of final terms and conditions acceptable to both TTI and Decathlon and may be canceled at any time by TTI or Decathlon without recourse or obligation to either party, prior to signing of a final agreement.

Sincerely,

/s/ Troy D'Ambrosio

Troy D'Ambrosio
Vice President

Decathlon Communications, Inc.
By: /s/ Martin Frankel

Its: President

Date: June 26, 1995

<TABLE>
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Description	Date	Number of Shares	Days Outstanding	
<S> Common stock issued in acquisition of assets	<C> 8/1/95 to 12/31/95	<C> 3,500,000	<C> 153	<C> 535,500,000
				/ 153
Weight average shares outstanding for the five months ended December 31, 1995				3,500,000

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Description	Date	Number of Shares	Days Outstanding	
<S> Beginning Common Stock	<C> 1/1/96 to 6/28/96	<C> 3,500,000	<C> 180	<C> 630,000,000
Issuance of Common Stock	6/29/96 to 9/30/96	3,645,833	94	342,708,302
				972,708,302
				/ 274
Weight average shares outstanding for the nine months ended September 30, 1996				3,550,030

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Description	Date	Number of Shares	Days Outstanding	
<S> Beginning Common Stock	<C> 8/1/95 to 6/28/96	<C> 3,500,000	<C> 333	<C> 1,165,500,000
Issuance of Common Stock	6/29/96 to 9/30/96	3,645,833	94	342,708,302
				1,508,208,302
				/ 427
Weight average shares outstanding for the period from August 1, 1995 through September 30, 1996				3,532,104

</TABLE>

LETTER ON CHANGE IN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

October 11, 1996

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

Dear Sirs:

WIRELESS CABLE & COMMUNICATIONS, INC.

We have read the "Changes in and Disagreements with Accountant on Accounting and Financial Disclosure" section of Wireless Cable & Communications, Inc.'s Form 10-SB dated October 18, 1996 and are in agreement with the statements contained therein.

Yours very truly,

Jones, Jensen & Company

Subsidiaries of the Registrant

Transworld Wireless Television, Inc.

Auckland Independent Television Services, Ltd.

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' CONSENT

Wireless Cable & Communications, Inc.

Dear Sirs:

We consent to the use in this Amendment No. 1 to Registration Statement No. 000-21143 of Wireless Cable & Communications, Inc., of our report dated October 17, 1996 (December 30, 1996 as to Note 7) appearing in the Form 10-SBA, which is a part of such Registration Statement.

DELOITTE & TOUCHE LLP

Salt Lake City, Utah
December 30, 1996

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