

March 2, 2006

Jordan Gnat Chairman and CEO

Ms. D. Rheaume Secretary General Canadian Radio-television and Telecommunications Commission 1 Promenade du Portage Ottawa, Ontario K1A 0N2

Dear Ms. Rheaume,

Re: Authorization for Stuart Media Group Inc.-High Definition version of CGTV

The purpose of this letter is to seek the Commission's authorization to provide an upgraded version of our Category 2 service, CGTV on an interim basis, while the Commission finalizes its policy with respect to the framework for the distribution of high definition versions of pay and specialty services.

In Public Notice CRTC 2003-61, as an interim measure, the Commission allowed for provisions of upgraded versions of existing pay and specialty services by license amendment. These comments were repeated in Public Notice CRTC 2004-58 which initiated a public process relating to the same issue.

In applying for this license amendment, Stuart Media Group Inc. agrees to comply with the requirements that the Commission set out in Public Notice 2003-61, which included the following:

- 1. the video and audio components of the upgraded and standard definition digital versions of CGTV will be the same, exclusive of the commercial messages and of any part of the service carried on a subsidiary channel;
- 2. only those BDUs that are required, authorized or permitted to distribute a standard definition digital version of CGTV will also be permitted to offer the upgraded version of CGTV;
- 3. the terms and conditions of carriage of the CGTV HD service, including rates, will be negotiated with the BDUs; and
- 4. conditions of license applicable to the CGTV service shall similarly apply to the CGTV HD service.

It is our contention that gaming will be a key supplier in the proliferation of HD content and production. The consumer demand for gaming HD content is significant and will drive penetration of HDTV in Canada.



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This application will be made available for viewing by the general public at 184 Pearl Street, Suite 302, Toronto, Ontario M5H 1L5.

Should the Commission have any questions in regards to this application, please contact the applicant at 416-593-0915 (ext.223).

Yours truly

Jordan Gnat

Chairman and CEO