



DIRECTV

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EXECUTIVE SUMMARY:

Additional Local Channels for Customers!

- DIRECTV is starting two separate initiatives:
 1. On October 5, DIRECTV will begin remapping its DMAs based on updated Nielsen DMA definitions. Customers in eligible areas will be able to view additional local channels beginning 11/9/05.
 2. On November 9, eligible markets will begin receiving Neighboring Local Channels (out-of-market local channels transmitted to a neighboring local-market area).
- Eligible customers for both of these initiatives will get more local channels for no additional cost!
- If eligible customers require an additional antenna in order to view different orbital slots, it will be offered to customers at no additional cost (*annual commitment applies*)
- If an additional antenna to see additional orbital slots is required because of this change, dealers will be eligible for the additional subsidy
- **BOTTOM LINE:** Starting October 5, the "Local Channel Look-up Tool" on the Dealer Website will be updated to include applicable hardware requirements for these DMAs. It is important that you use this tool as hardware requirements may be different than what was required in the past.

The Remapping of DMAs as well as the Neighboring Local Channels initiatives explained below may mean more local or out-of-market local channels for your customers! The best news is that you will not need to keep track of eligible zip codes and channels since the dealer website "Local Channel Look-up Tool" will do the work for you. Just input the zip code and the hardware requirements and channels available will be listed.

Remapping of DMAs based on updated Nielsen DMA definitions

DIRECTV is offering more local channels for no additional cost! On October 5, 2005, DIRECTV will begin remapping its Designated Market Areas (DMAs) based on updated Nielsen DMA definitions. As Nielsen DMAs are based on local population viewing habits, DIRECTV's DMA remapping project will help ensure that our DMAs are in alignment with the viewing habits of our customer base.

Beginning October 5, new customers who are affected by the DMA remap (i.e. a customer who resides in an area that is being remapped) will need to receive the equipment necessary

to view both their current local channel lineup and their future local channel lineup, at no additional charge! Please note that once our affected customers are transitioned to their new DMA, they will not lose access to their former market's channels; they will simply gain access to their new market's channels starting November 9.

Neighboring Local Channels

Legislation was recently passed that allows satellite providers to deliver eligible local TV stations to customers from a neighboring market. The determination of which local channels are eligible is managed by the Nielsen Media Research. For example, a Fox station in New York City, NY may be designated as a "Neighboring Local Channel" due to the significant viewership in New Haven, CT. In this case, DIRECTV would be eligible to begin broadcasting the New York City channel to residents in New Haven.

DIRECTV is taking advantage of this opportunity by including Neighboring Locals at no additional cost for customers that subscribe to one of our Local Channels packages!

Beginning November 9th, new customers who are eligible to receive Neighboring Locals will also receive the necessary additional ODU (if applicable) at no additional cost. To find out if the Neighboring Locals offer applies, go to the Dealer Website to confirm eligibility.

The Dealer Website "Local Channel Look-up Tool" has the Answers!

To support eligible customers of both the DMA remapping and the Neighboring Locals initiatives, it is very important to verify what equipment new customers need prior to the installation call, as it may be different than what was required in the past. The easiest, most effective way to ensure what equipment a customer will need is by utilizing the look-up tool located on the retailer website.

- **To access the Look-Up Tool:**
 - Login to the retailer website (www.retailer.DIRECTV.com)
 - Select "Customer Eligibility" from the Toolbox (a list of the required equipment will be displayed after entering a customer's zip code.)
- **DMA Remapped Channels (Transition Market Channels)**
 - From 10/5 to 11/8, the look-up tool will display the DMA Remapped channels under "Transition Market Channels," if applicable.
 - On 11/9 forward, these Transition Channels will no longer be called out since they will become the customer's primary local channels.
- **Neighboring Local Channels**
 - On 11/9, the look-up tool will display the Neighboring Local Channel additions as "Neighboring Local Channels," if applicable.

If additional equipment is required because of either the DMA remap and/or the Neighboring Local Channel initiatives, dealers will be compensated based on the equipment installed. For example, if a customer requires equipment to see both the 119 and 72.5 orbital slots, both subsidies will be paid out to the dealer, providing that the additional equipment has been installed. Please refer to past dealer communications regarding all of the terms and conditions for receiving the additional subsidies.

Thank you for your assistance and we appreciate your help in getting customers the correct equipment in support of these important initiatives. If you have any questions, please contact your DIRECTV Area Sales Manager, distributor representative, or DIRECTV Retail Services at 1-800-323-1994, or via email at RetailServices@DIRECTV.com.

Best regards,
DIRECTV, Inc.

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