

APPLICATION FOR SATELLITE SPACE AND EARTH STATION AUTHORIZATIONS FOR TRANSFER OF CONTROL OR ASSIGNMENT FCC 312 MAIN FORM FOR OFFICIAL USE ONLY	FCC Use Only
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APPLICANT INFORMATION

Enter a description of this application to identify it on the main menu:

Earth Station Vessel transfer of control to EchoStar Corporation

1-8. Legal Name of Applicant

Name:	HNS License Sub, LLC	Phone Number:	301-428-5506
DBA Name:		Fax Number:	301-428-2802
Street:	11717 Exploration Lane	E-Mail:	Steven.Doiron@hughes.com
City:	Germantown	State:	MD
Country:	USA	Zipcode:	20876 -
Attention:	Mr Steven Doiron		

9-16. Name of Contact Representative

Name:	Tom W. Davidson	Phone Number:	202-887-4011
Company:	Akin Gump Strauss Hauer & Feld LLP	Fax Number:	202-955-7719
Street:	1333 New Hampshire Avenue, NW	E-Mail:	tdavidson@akingump.com
City:	Washington	State:	DC
Country:	USA	Zipcode:	20036-
Attention:	Tom W. Davidson	Relationship:	Legal Counsel

CLASSIFICATION OF FILING

17. Choose the button next to the classification that applies to this filing for both questions a. and b. Choose only one for 17a and only one for 17b.

- a1. Earth Station
- a2. Space Station

- (N/A) b1. Application for License of New Station
- (N/A) b2. Application for Registration of New Domestic Receive-Only Station
- (N/A) b3. Amendment to a Pending Application
- (N/A) b4. Modification of License or Registration
- b5. Assignment of License or Registration
- b6. Transfer of Control of License or Registration
- (N/A) b7. Notification of Minor Modification
- (N/A) b8. Application for License of New Receive-Only Station Using Non-U.S. Licensed Satellite
- (N/A) b9. Letter of Intent to Use Non-U.S. Licensed Satellite to Provide Service in the United States
- (N/A) b10. Other (Please specify)

<p>17c. Is a fee submitted with this application?</p> <p><input checked="" type="radio"/> If Yes, complete and attach FCC Form 159. If No, indicate reason for fee exemption (see 47 C.F.R. Section 1.1114).</p> <p><input type="radio"/> Governmental Entity <input type="radio"/> Noncommercial educational licensee</p> <p><input type="radio"/> Other (please explain):</p>					
<p>17d.</p> <table> <tr> <td>Fee Classification A CZV – Fixed Satellite VSAT System</td> <td>Quantity 1 (First Station)</td> </tr> <tr> <td>Fee Classification B</td> <td>Quantity 0 (Each Additional Station)</td> </tr> </table>		Fee Classification A CZV – Fixed Satellite VSAT System	Quantity 1 (First Station)	Fee Classification B	Quantity 0 (Each Additional Station)
Fee Classification A CZV – Fixed Satellite VSAT System	Quantity 1 (First Station)				
Fee Classification B	Quantity 0 (Each Additional Station)				
<p>18. If this filing is in reference to an existing station, enter:</p> <p>(a) Call sign of station: Not Applicable</p>	<p>19. If this filing is an amendment to a pending application enter:</p> <table> <tr> <td>(a) Date pending application was filed: Not Applicable</td> <td>(b) File number of pending application: Not Applicable</td> </tr> </table>	(a) Date pending application was filed: Not Applicable	(b) File number of pending application: Not Applicable		
(a) Date pending application was filed: Not Applicable	(b) File number of pending application: Not Applicable				

TYPE OF SERVICE

<p>20. NATURE OF SERVICE: This filing is for an authorization to provide or use the following type(s) of service(s): Select all that apply:</p> <ul style="list-style-type: none"><input checked="" type="checkbox"/> a. Fixed Satellite<input type="checkbox"/> b. Mobile Satellite<input type="checkbox"/> c. Radiodetermination Satellite<input type="checkbox"/> d. Earth Exploration Satellite<input type="checkbox"/> e. Direct to Home Fixed Satellite<input type="checkbox"/> f. Digital Audio Radio Service<input type="checkbox"/> g. Other (please specify)	
<p>21. STATUS: Choose the button next to the applicable status. Choose only one.</p> <p><input type="radio"/> Common Carrier <input checked="" type="radio"/> Non-Common Carrier</p>	<p>22. If earth station applicant, check all that apply.</p> <ul style="list-style-type: none"><input checked="" type="checkbox"/> Using U.S. licensed satellites<input checked="" type="checkbox"/> Using Non-U.S. licensed satellites
<p>23. If applicant is providing INTERNATIONAL COMMON CARRIER service, see instructions regarding Sec. 214 filings. Choose one. Are these facilities:</p> <p><input type="radio"/> Connected to a Public Switched Network <input type="radio"/> Not connected to a Public Switched Network <input checked="" type="radio"/> N/A</p>	
<p>24. FREQUENCY BAND(S): Place an "X" in the box(es) next to all applicable frequency band(s).</p> <ul style="list-style-type: none"><input type="checkbox"/> a. C-Band (4/6 GHz) <input checked="" type="checkbox"/> b. Ku-Band (12/14 GHz)<input type="checkbox"/> c. Other (Please specify upper and lower frequencies in MHz.) <p>Frequency Lower: Frequency Upper:</p>	

TYPE OF STATION

<p>25. CLASS OF STATION: Choose the button next to the class of station that applies. Choose only one.</p> <ul style="list-style-type: none"><input type="radio"/> a. Fixed Earth Station<input type="radio"/> b. Temporary-Fixed Earth Station<input type="radio"/> c. 12/14 GHz VSAT Network<input type="radio"/> d. Mobile Earth Station<input type="radio"/> e. Geostationary Space Station<input type="radio"/> f. Non-Geostationary Space Station<input checked="" type="radio"/> g. Other (please specify) Earth Stations on Vessels
<p>26. TYPE OF EARTH STATION FACILITY: Choose only one.</p> <p><input checked="" type="radio"/> Transmit/Receive <input type="radio"/> Transmit-Only <input type="radio"/> Receive-Only <input type="radio"/> N/A</p>

PURPOSE OF MODIFICATION

<p>27. The purpose of this proposed modification is to: (Place an "X" in the box(es) next to all that apply.)</p> <p>Not Applicable.</p>
--

ENVIRONMENTAL POLICY

28. Would a Commission grant of any proposal in this application or amendment have a significant environmental impact as defined by 47 CFR 1.1307? If YES, submit the statement as required by Sections 1.1308 and 1.1311 of the Commission's rules, 47 C.F.R. 1.1308 and 1.1311, as an exhibit to this application. A Radiation Hazard Study must accompany all applications for new transmitting facilities, major modifications, or major amendments. Yes No

ALIEN OWNERSHIP Earth station applicants not proposing to provide broadcast, common carrier, aeronautical en route or aeronautical fixed radio station services are not required to respond to Items 30-34.

29. Is the applicant a foreign government or the representative of any foreign government? Yes No

30. Is the applicant an alien or the representative of an alien? Yes No N/A

31. Is the applicant a corporation organized under the laws of any foreign government? Yes No N/A

32. Is the applicant a corporation of which more than one-fifth of the capital stock is owned of record or voted by aliens or their representatives or by a foreign government or representative thereof or by any corporation organized under the laws of a foreign country? Yes No N/A

33. Is the applicant a corporation directly or indirectly controlled by any other corporation of which more than one-fourth of the capital stock is owned of record or voted by aliens, their representatives, or by a foreign government or representative thereof or by any corporation organized under the laws of a foreign country?

Yes No
 N/A

34. If any answer to questions 29, 30, 31, 32 and/or 33 is Yes, attach as an exhibit an identification of the aliens or foreign entities, their nationality, their relationship to the applicant, and the percentage of stock they own or vote.

BASIC QUALIFICATIONS

35. Does the Applicant request any waivers or exemptions from any of the Commission's Rules?
If Yes, attach as an exhibit, copies of the requests for waivers or exceptions with supporting documents.

Yes No

36. Has the applicant or any party to this application or amendment had any FCC station authorization or license revoked or had any application for an initial, modification or renewal of FCC station authorization, license, or construction permit denied by the Commission? If Yes, attach as an exhibit, an explanation of circumstances.

Yes No

37. Has the applicant, or any party to this application or amendment, or any party directly or indirectly controlling the applicant ever been convicted of a felony by any state or federal court? If Yes, attach as an exhibit, an explanation of circumstances.

Yes No

38. Has any court finally adjudged the applicant, or any person directly or indirectly controlling the applicant, guilty of unlawfully monopolizing or attempting unlawfully to monopolize radio communication, directly or indirectly, through control of manufacture or sale of radio apparatus, exclusive traffic arrangement or any other means or unfair methods of competition? If Yes, attach as an exhibit, an explanation of circumstances

Yes No

39. Is the applicant, or any person directly or indirectly controlling the applicant, currently a party in any pending matter referred to in the preceding two items? If yes, attach as an exhibit, an explanation of the circumstances.

Yes No

40. If the applicant is a corporation and is applying for a space station license, attach as an exhibit the names, address, and citizenship of those stockholders owning a record and/or voting 10 percent or more of the Filer's voting stock and the percentages so held. In the case of fiduciary control, indicate the beneficiary(ies) or class of beneficiaries. Also list the names and addresses of the officers and directors of the Filer.

41. By checking Yes, the undersigned certifies, that neither applicant nor any other party to the application is subject to a denial of Federal benefits that includes FCC benefits pursuant to Section 5301 of the Anti-Drug Act of 1988, 21 U.S.C. Section 862, because of a conviction for possession or distribution of a controlled substance. See 47 CFR 1.2002(b) for the meaning of "party to the application" for these purposes.

Yes No

42a. Does the applicant intend to use a non-U.S. licensed satellite to provide service in the United States? If Yes, answer 42b and attach an exhibit providing the information specified in 47 C.F.R. 25.137, as appropriate. If No, proceed to question 43.

Yes No

42b. What administration has licensed or is in the process of licensing the space station? If no license will be issued, what administration has coordinated or is in the process of coordinating the space station? Federal Communications Commission and United Kingdom

43. Description. (Summarize the nature of the application and the services to be provided).
(If the complete description does not appear in this box, please go to the end of the form to view it in its entirety.)

Application for Transfer of Control of Hughes Communications, Inc. and its subsidiaries to EchoStar Corporation. A full description of the transaction is provided in the Application Narrative.

Narrative

CERTIFICATION

The Applicant waives any claim to the use of any particular frequency or of the electromagnetic spectrum as against the regulatory power of the United States because of the previous use of the same, whether by license or otherwise, and requests an authorization in accordance with this application. The applicant certifies that grant of this application would not cause the applicant to be in violation of the spectrum aggregation limit in 47 CFR Part 20. All statements made in exhibits are a material part hereof and are incorporated herein as if set out in full in this application. The undersigned, individually and for the applicant, hereby certifies that all statements made in this application and in all attached exhibits are true, complete and correct to the best of his or her knowledge and belief, and are made in good faith.

44. Applicant is a (an): (Choose the button next to applicable response.)

- Individual
- Unincorporated Association
- Partnership
- Corporation
- Governmental Entity
- Other (please specify)

45. Name of Person Signing
Steve Doiron

46. Title of Person Signing
Senior Director, Regulatory Affairs

47. Please supply any need attachments.

Attachment 1:

Attachment 2:

Attachment 3:

WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND / OR IMPRISONMENT
(U.S. Code, Title 18, Section 1001), AND/OR REVOCATION OF ANY STATION AUTHORIZATION
(U.S. Code, Title 47, Section 312(a)(1)), AND/OR FORFEITURE (U.S. Code, Title 47, Section 503).

SATELLITE EARTH STATION AUTHORIZATIONS
FCC Form 312 – Schedule A
FOR OFFICIAL USE ONLY

Select one of the following

CONSENT TO TRANSFER OF CONTROL

 CONSENT TO ASSIGNMENT OF LICENSE
 NOTIFICATION OF TRANSFER OF CONTROL OF RECEIVE ONLY REGISTRATION

 NOTIFICATION OF ASSIGNMENT OF RECEIVE ONLY REGISTRATION

A1. Name of Licensee (as shown on FCC 312 – Main Form)

Name:	HNS License Sub, LLC	Phone Number:	301-428-5506
DBA Name:		Fax Number:	301-428-2802
Street:	11717 Exploration Lane	E-Mail:	Steven.Doiron@hughes.com
City:	Germantown	State:	MD
Country:	USA	Zipcode:	20876 -
Attention:	Steven Doiron		

A8. List Callsign(s) of station(s) being assigned or transfered

Callsign: E020205	Callsign:						
-----------------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------

A9. No. of station(s) listed

1

A10. Name of Transferor/ Assignor

Name:	BRH Holdings GP, Ltd.	Phone Number:	212-515-3450
Company:	c/o Apollo Global Management	Fax Number:	202-955-7719
Street:	9 West 57th Street 43rd Floor	E-Mail:	africk@ApolloLP.com
City:	New York	State:	NY
Country:	USA	Zipcode:	10019 -
Attention:	Tom W. Davidson	Relationship:	Legal Counsel

A15. Name of Transferee/ Assignee

Name:	EchoStar Corporation	Phone Number:	202-293-0981
DBA Name:		Fax Number:	202-429-0984
Street:	100 Inverness Terrace East	E-Mail:	Alison.Minea@dishnetwork.com
City:	Englewood	State:	CO
Country:	USA	Zipcode:	80112 -
Attention:	Alison Minea		

A20. If these facilities are licensed, is the transferee / assignee directly or indirectly controlled by any other entity? If yes, attach as Exhibit E, a statement (including organizational diagrams where appropriate) which fully and completely identifies the nature and extent of control including: (1) the name, address, citizenship, and primary business of the controlling entity and any intermediate subsidiaries or parties, and (2) the names, addresses, citizenship, and the percentages of voting and equity stock of those stockholders holding 10 percent or more of the controlling corporation's voting stock.

- Yes
 No
 N/A

A21. If these facilities are licensed, attach as Exhibit F, a complete statement setting forth the facts which show how the assignment or transfer will serve the public interest.

CERTIFICATION

1. The undersigned, individually and for licensee, certifies that all attached exhibits pertain to Schedule A and all statement made in Schedule A of this application are true, complete and correct to the best of his/her knowledge and belief. The undersigned also certifies that any contracts or other instruments submitted herewith are complete and constitute the full agreement.
 2. The undersigned represents that stock will not be delivered and that control will not be transferred until the Commission's consent has been received, but that transfer of control or assignment of license will be completed within 60 days of Commission consent. The undersigned also acknowledges that the Commission must be notified by letter within 30 days of consummation.

<p>A22. Printed Name of Licensee (Must agree with A1) HNS License Sub, LLC</p>	<p>A24. Title (Office Held by Person Signing) Senior Director, Regulatory Affairs</p>
<p>A26. Printed Name of License Transferor / Assignor (Must agree with A10) BRH Holdings GP, Ltd.</p>	<p>A28. Title (Office Held by Person Signing) Vice President</p>
<p>A26. Printed Name of License Transferee / Assignee (Must agree with A15) EchoStar Corporation</p>	<p>A28. Title (Office Held by Person Signing) Senior Vice President & Deputy General Counsel</p>

FCC NOTICE REQUIRED BY THE PAPERWORK REDUCTION ACT

The public reporting for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the required data, and completing and reviewing the collection of information. If you have any comments on this burden estimate, or how we can improve the collection and reduce the burden it causes you, please write to the Federal Communications Commission, AMD-PERM, Paperwork Reduction Project (3060-0678), Washington, DC 20554. We will also accept your comments regarding the Paperwork Reduction Act aspects of this collection via the Internet if you send them to PRA@fcc.gov. PLEASE DO NOT SEND COMPLETED FORMS TO THIS ADDRESS.

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**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

_____)	
<i>Application of</i>)	
)	
HUGHES COMMUNICATIONS, INC.,)	
)	
Transferor,)	File Nos. SES-T/C-20110228-00221
)	SES-T/C-20110228-00222
and)	SES-T/C-20110228-00223
)	SES-T/C-20110228-00224
ECHOSTAR CORPORATION,)	SAT-T/C-20110228-00041
)	SAT-T/C-20110228-00042
Transferee,)	
)	
For Authority to Transfer Control.)	
_____)	

ERRATUM

EchoStar Corporation (“EchoStar”) and Hughes Communications, Inc. (“Hughes”) (collectively, “Applicants”), through counsel, hereby submit an Erratum to the above-captioned transfer of control applications. The purpose of this Erratum is to correct clerical errors in a chart depicting the ownership structure of Hughes prior to the proposed transfer of control. The original chart was included as part of the comprehensive exhibit which was attached to the transfer of control applications. A replacement chart is attached hereto.

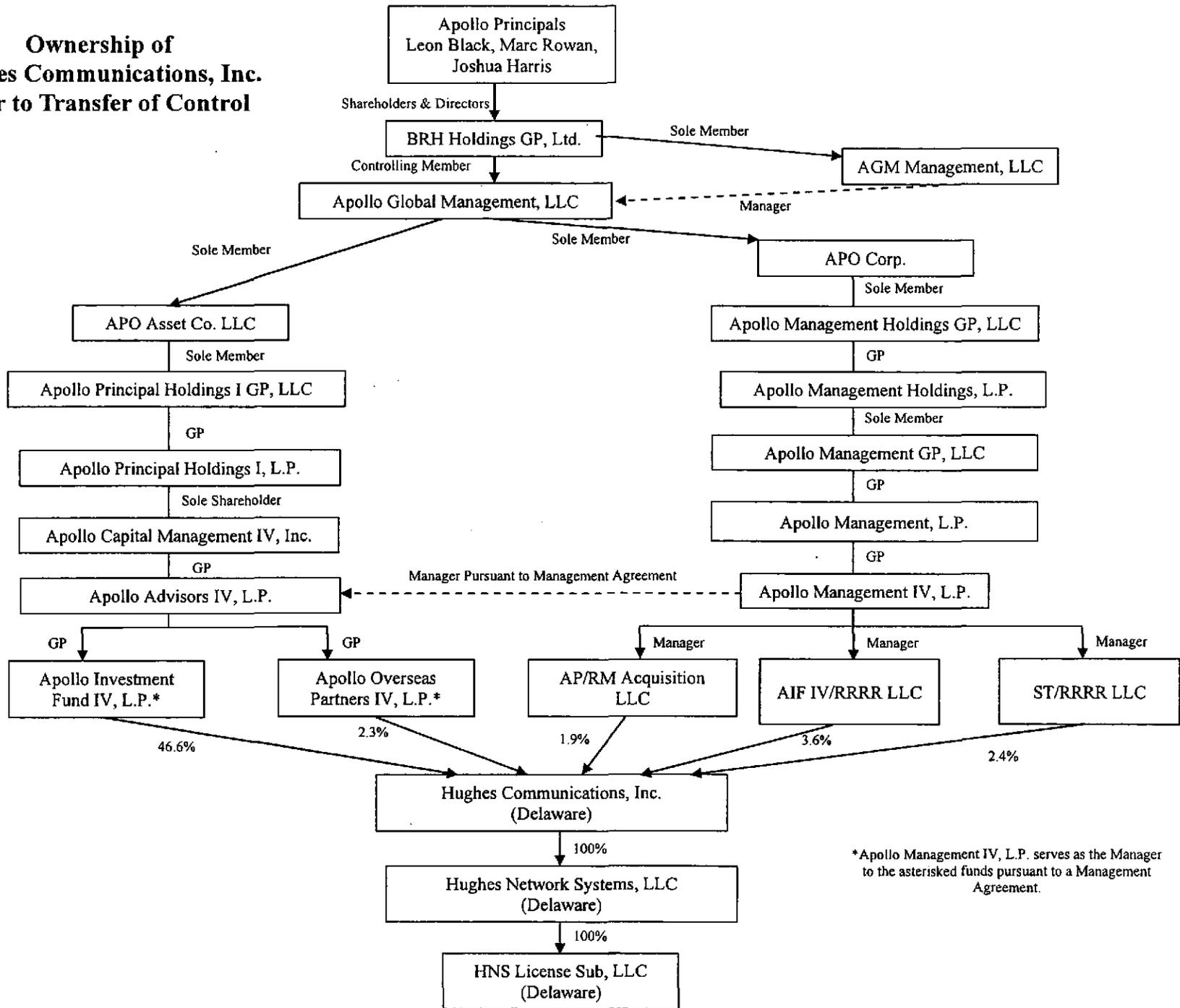
Respectfully submitted,

Tom Davidson
Akin Gump Strauss Hauer & Feld LLP
1333 New Hampshire Avenue, NW
Washington, D.C. 20036
(202) 887-4011
Counsel for Hughes Communications, Inc.

/s/
Pantelis Michalopoulos
Steptoe & Johnson LLP
1330 Connecticut Avenue, NW
Washington, D.C. 20036
(202) 429-3000
Counsel for EchoStar Corporation

Dated: March 2, 2011

**Ownership of
Hughes Communications, Inc.
Prior to Transfer of Control**



*Apollo Management IV, L.P. serves as the Manager to the asterisked funds pursuant to a Management Agreement.

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

<i>Application of</i>)	
HUGHES COMMUNICATIONS, INC.,)	
Transferor,)	
and)	
ECHOSTAR CORPORATION,)	
Transferee,)	
For Authority to Transfer Control.)	
)	

File Nos. _____

**CONSOLIDATED APPLICATION FOR AUTHORITY
TO TRANSFER CONTROL**

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Declaration of Kenneth Carroll

Declaration of Dean A. Manson

Attachment 1 – Response to FCC Form 312, Questions 40 and A20

Attachment 2 – FCC Licenses, Authorizations, and Pending Applications of Hughes Communications, Inc. and Its Subsidiaries

Attachment 3 – Response to FCC Form 312, Question 36

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

_____)	
<i>Application of</i>)	
)	
HUGHES COMMUNICATIONS, INC.,)	
)	
Transferor,)	File Nos. _____
)	
and)	
)	
ECHOSTAR CORPORATION,)	
)	
Transferee,)	
)	
For Authority to Transfer Control.)	
_____)	

**CONSOLIDATED APPLICATION FOR AUTHORITY
TO TRANSFER CONTROL**

I. INTRODUCTION AND SUMMARY

EchoStar Corporation (“EchoStar”) and Hughes Communications, Inc. (“Hughes”) (collectively, “Applicants”) seek approval for a merger that will join the expertise and resources of two very experienced satellite firms. EchoStar is a recognized pacesetter in the communications industry for its innovation in satellite solutions and technology. Hughes is a global pioneer in broadband satellite technologies and services and is a major provider of managed network services. The two companies are satellite operators that offer different but potentially complementary services and product lines. As a result, their merger will promote the public interest and carry out important Congressional and Federal Communications Commission (“Commission”) policies by enhancing competition, increasing broadband access to unserved and underserved Americans, and promoting efficient use of spectrum. Specifically:

- **Greater Broadband Availability and Competition.** The proposed merger will result in the provision of more robust broadband services to rural and underserved areas by increasing the amount of satellite capacity available to provide such services. Additionally, by combining the engineering, financial, and satellite resources of EchoStar and Hughes, the proposed merger will spur competition for broadband services everywhere.
- **A Strengthened Satellite Broadband Provider.** The proposed merger will: (i) combine Hughes' current engineering capabilities with those of EchoStar, producing a combined brain trust of more than 2,000 engineers skilled in the provision of satellite-delivered services and focused upon improving access to, and the quality of, satellite-delivered broadband; (ii) endow the combined company with an improved financial position, which will allow the company to make further investments in its satellite infrastructure; (iii) allow access to additional satellite capacity, thus allowing for increased subscriber growth; (iv) combine EchoStar's years of experience operating a satellite-delivered video service and close working relationship with one of the nation's largest video distributors with Hughes' years of experience operating a satellite-delivered broadband service, thus creating the potential for offering both satellite TV service and satellite broadband service; and (v) bring a satellite broadband provider under the control of Mr. Charles W. Ergen, who has presided over an increase of satellite television subscribers from zero to over 14 million in a 15-year period.
- **A Stronger Fixed-Satellite Service ("FSS") Competitor.** The combined company will have more satellites, satellite capacity, orbital positions, and terrestrial infrastructure and will, therefore, be better able to compete with the current large FSS incumbents, including Intelsat and SES, as well as fiber and other terrestrial networks.
- **No Significant Negative Competitive Effects.** The benefits deriving from the proposed merger do not come at the price of any significant negative competitive impact, as there is very limited overlap between the services provided by each company today. In addition, while the proposed merger will increase EchoStar's ability to compete with large FSS incumbents, Hughes' and EchoStar's combined number of operational FSS satellites will still be far lower than the fleets commanded by Intelsat and SES.

To achieve these public interest benefits, the Applicants request the Commission's consent, in accordance with Section 310 of the Communications Act of 1934, as amended ("Communications Act"),¹ to transfer control over the satellite, earth station, and other related

¹ 47 U.S.C. § 310.

authorizations held by Hughes Network Systems, LLC, and HNS License Sub, LLC (both wholly owned subsidiaries of Hughes) to EchoStar.

The Applicants respectfully request expedited Commission action on this Application. There is good cause for this request given the limited window for funding the transaction in a still fragile financing environment, as well as the need to integrate the companies' operations soon in order to make a competitive difference. The Applicants note that the Commission took 51 days to evaluate the ViaSat-WildBlue transaction, a transaction that may have presented more significant issues from a regulatory perspective than the instant merger.²

This consolidated Application consists of a narrative description of the parties and the transaction, including a discussion of the public interest benefits of the transaction, declarations from both Applicants, and several attachments. In addition, each FCC form and its associated exhibits and filing fee have been filed separately in accordance with the Commission's rules. To the extent that any pending applications, or any other applications for new facilities or for renewal or modification of existing facilities, are granted prior to the approval of this transaction, the Applicants request a determination by the Commission that the grant of this Application includes authority for EchoStar to acquire control of any authorizations subsequently granted to Hughes pursuant to these applications.

² The applications were filed on October 22, 2009. The application fees were paid on October 26, 2009. The applications were accepted for filing on October 28, 2009. And the approval was granted on December 9, 2009. *See* ViaSat, Inc., FCC File No. SES-T/C-20091026-01360 (granted Dec. 8, 2009); *see also* Public Notice, Report No. SES-01201, Satellite Communications Services Information RE: Actions Taken (rel. Dec. 9, 2009).

II. THE PARTIES AND THE TRANSACTION

A. Description of the Parties

1. EchoStar.

EchoStar is a pioneer and innovator in the satellite industry. EchoStar's roots reach back more than 30 years when its Chairman, Charles W. Ergen, first entered the satellite television business as a distributor of C-Band television satellite systems. Since then, EchoStar and its predecessor companies have earned a reputation as innovators in consumer satellite technology: the first to develop a UHF remote control; the first to offer a satellite receiver for less than \$200; the first to offer an integrated receiver descrambler for C-band satellite TV; the first to offer satellite television receivers with built-in digital video recorders; and more.³

EchoStar launched its first Direct Broadcast Satellite ("DBS") service satellite in December 1995 and began offering DBS service in 1996. At the time, some analysts questioned whether EchoStar would be able to reach the one million subscriber mark. In any event, EchoStar had one million subscribers as of 1997, and subscriber growth has continued at a rapid pace since. Today, DISH Network Corporation ("DISH"), EchoStar's affiliate, serves more than 14 million households and is the industry leader in multichannel video distribution technology and high definition programming.

EchoStar was spun off from DISH on January 1, 2008. Prior to that time, EchoStar's operations were combined with those of DISH. Today, both companies continue to be majority-owned by Mr. Ergen. Mr. Ergen is a visionary entrepreneur and has earned such accolades as CEO of the Year for the Satellite Industry and Space Industry Business Man of the Year. Mr. Ergen was instrumental in initiating "local-into-local" satellite service which gave American

³ EchoStar Corporation, About EchoStar, www.echostar.com/company.aspx (last visited Feb. 28, 2011).

consumers the option to watch their local television channels via satellite. He was a co-founder of the Satellite Broadcasting Communications Association.

EchoStar was spun off from DISH on January 1, 2008, when DISH distributed to EchoStar its digital set-top box business and certain infrastructure and other assets, including certain of its satellites, satellite transmission assets, real estate, and other assets and related liabilities. Since the spinoff, while they have both remained majority-owned by Mr. Ergen, EchoStar and DISH have operated as separate, publicly traded companies, and neither entity has any ownership interest in the other.

EchoStar has since continued to build a significant, independent satellite operation. EchoStar focuses on creating hardware and service solutions for cable, telecommunications, IPTV, and satellite companies worldwide. To that end, EchoStar now employs about 1,100 engineers.

Today, EchoStar operates two primary business units: its satellite services business, and its digital set-top box business.

Satellite Services Business. EchoStar's satellite services business leases capacity on a full-time and occasional-use basis using its owned and leased in-orbit satellites. EchoStar currently leases capacity primarily to DISH for the purpose of providing DBS service to subscribers in the United States. EchoStar also leases satellite capacity to service providers for government entities, as well as to Internet service providers, broadcast news organizations, and private enterprise customers.

To support its satellite services business, EchoStar owns and operates six satellites: five DBS satellites (EchoStar 3 at 61.5° W.L., EchoStar 4 at 77° W.L., EchoStar 6 at 77° W.L., EchoStar 8 at 77° W.L., and EchoStar 12 at 61.5° W.L.) and one hybrid Ku-/Ka-band FSS

satellite (EchoStar 9 at 121° W.L.). EchoStar also leases capacity on five additional satellites, of which three are DBS (EchoStar 1 at 77° W.L., EchoStar 15 at 61.5° W.L., and Nimiq 5 at 72.7° W.L.) and two are Ka/Ku-band FSS (AMC-15 at 105° W.L. and AMC-16 at 85° W.L.). EchoStar also has an authorization to operate a DBS satellite at 86.5° W.L., and has requested a modification of that license to permit the operation of its EchoStar 8 satellite at that orbital location. Furthermore, EchoStar has licenses for five Reverse Band Working (“RBW”) DBS satellites at 62.15° W.L., 75° W.L., 79° W.L., 107° W.L., and 110.4° W.L.

Products and Services for Video Entertainment. EchoStar is also in the “digital set-top box” business, designing, developing, and distributing digital set-top boxes and related products, including its Slingbox “placeshifting” technology. Its primary customers are satellite TV service providers, telecommunications companies, and cable operators. EchoStar also provides digital broadcast operations, including satellite uplinking/downlinking, transmission services, signal processing, conditional access management, and other services, primarily to DISH. EchoStar’s principal digital broadcast centers are located in Cheyenne, Wyoming and Gilbert, Arizona. The company also has five regional digital broadcast centers. Programming and other data are received at these centers by fiber optic cable or satellite; there, they are processed, compressed, and encrypted and then uplinked to EchoStar’s satellites and customers’ satellites for transmission to end users.

Today, EchoStar provides DISH with key satellite capacity for the DISH DBS service. EchoStar also uplinks the programming that makes the DISH DBS service, both to EchoStar’s satellites leased to DISH and to DISH’s own satellites from EchoStar’s uplink centers. Finally, EchoStar is DISH’s sole supplier of digital set-top boxes and is a key provider of engineering services to DISH.

2. Hughes.

Hughes operates primarily through its wholly owned subsidiary, Hughes Network Systems, LLC ("HNS"). Today, Hughes employs approximately 2,200 people, including about 900 engineers worldwide, many of whom are located in Hughes' Germantown, Maryland facility. Since 1971, HNS has been a pioneer in commercial digital satellite communications and has achieved extensive depth and experience in the development, manufacturing, and operation of satellite-based data, voice, and video networks. In 1983, HNS deployed its first very small aperture terminal ("VSAT") network.

Using this expertise, HNS provides highly reliable, end-to-end communications with guaranteed quality of service to its enterprise customers regardless of the number of fixed or mobile sites or their geographic location. HNS started its business as an equipment and system supplier. In 1988, HNS began providing communications services, initially, to medium and large enterprises. About 10 years later, HNS leveraged its experience with its enterprise customers to expand its business into other growing market areas such as providing broadband Internet service to consumers and small and medium sized businesses. In addition, HNS has strategically used its technology base and expertise in satellite communications to provide turnkey satellite ground systems and user terminal equipment to mobile system operators and to provide broadband satellite network services and systems to both enterprise and residential customers.

HNS is the direct parent company of HNS License Sub, LLC, which holds various earth station licenses, and the indirect parent company of Hughes Network Systems, Ltd., which holds space station licenses from the United Kingdom. It owns and operates the SPACEWAY 3 satellite at the 94.95° W.L. orbital location. It is also building another satellite, Jupiter 1 (formerly known as SPACEWAY 4), that is set to use the 107.1° W.L. orbital location, and has