

and large enterprises. About 10 years later, Hughes 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, Hughes has strategically used its technological base and expertise in satellite communications to provide turnkey satellite ground systems and user terminal equipment to mobile system operators.

6. Today, Hughes employs approximately 900 engineers worldwide, most of whom are located in Hughes' Germantown, Maryland facility.

7. Hughes provides broadband satellite network services and systems to both enterprise and residential customers. 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 pending applications for the proposed SPACEWAY 5 and SPACEWAY 6 satellites, which would provide additional satellite capacity from the nominal 91° W.L. and 109° W.L. orbital locations. Hughes operates in the following businesses: high-speed broadband Internet access, VSAT and other enterprise services, and equipment manufacturing.

8. **Residential Services.** Hughes launched its residential satellite Internet broadband access service, now called HughesNet®, in 2001. Hughes focused its efforts on underserved areas, including rural and suburban areas. The quality and growth potential of Hughes' residential satellite Internet broadband access service was enhanced in April 2008 when the SPACEWAY 3 satellite was brought into service. The satellite is designed to provide 10 Gbps of capacity and subscriber speeds comparable to Digital Subscriber Line ("DSL"). In order to provide its satellite delivered broadband Internet services, Hughes provides its subscribers with user terminals consisting of a small antenna and radio transceiver located on the roof or side of a

home and a satellite modem located indoors near the user's computer or router. Hughes then utilizes gateways throughout the United States and SPACEWAY 3 to communicate with the consumer terminals.

9. Additional capacity will become available when Hughes launches its Jupiter 1 satellite in the first half of 2012. The Jupiter 1 satellite will employ a multi-spot beam, bent-pipe architecture. This next-generation, Ka-band, high-throughput satellite will provide enhanced download speeds – between 2 and 25 Mbps – and significant additional capacity – approximately 100 Gbps, enabling service to 1.5 to 2 million customers.

10. The HughesNet® service reaches all 50 states, Puerto Rico, and parts of Canada and, as of September 30, 2010, provided service to over 560,000 consumers and small and medium sized businesses. The cost of the packages range from \$59.99 for 1 Mbps download/200 Kbps upload speeds, including five email addresses, to \$109.99 for 2 Mbps download/300 Kbps upload speeds, including ten email accounts. Hughes also offers customers the option to purchase equipment up front or to rent the equipment for a monthly service fee.

11. **VSAT Enterprise Services.** Hughes also offers commercial satellite communications services, including business grade, broadband Internet access service, over its network of VSAT terminals. That network operates by connecting multiple, geographically dispersed communication sites through Hughes' or another FSS provider's satellite system to a network hub, and from there to a data center or the Internet. Hughes also provides wholesale VSAT service to resellers, which provide service to end users using their own network of VSAT terminals. Furthermore, Hughes provides augmented VSAT services to large enterprises through various owned and operated service businesses throughout the United States, Europe, India, and Brazil, delivering continent-wide broadband satellite connectivity along with a range of managed

solutions and applications to major enterprise customers in virtually every vertical sector. This allows Hughes to combine the use of satellite and terrestrial alternatives – offering solutions that are tailored and cost optimized to the specific customer requirements – as well as providing networking systems solutions to customers for mobile satellite and wireless backhaul systems. Hughes leases transponder capacity on satellites from multiple providers for its enterprise customers. It also maintains hub facilities, located in Germany, India, and Brazil that provide ground support to Hughes’ international enterprise customers. The satellite capacity used to support these international hubs is procured from FSS providers such as Eutelsat and Intelsat.

12. **Satellite Equipment.** Hughes is also a leading designer and manufacturer of satellite-based network equipment. Hughes supplies a growing family of authorized service providers, government organizations, and businesses with advanced broadband systems and terminals. Hughes has designed and manufactured products, including satellite Network Operations Centers (NOCs) and gateways; two-way broadband satellite routers; mobile satellite handhelds and high-speed IP data terminals; and broadband wireless systems. To date, Hughes has manufactured and shipped more than 2.5 million VSAT terminals to customers in over 100 countries.

13. It is important to note that, to my knowledge, EchoStar does not provide the services described above. The overlap between the two companies’ current business is minimal. Rather, EchoStar’s fleet of satellites is devoted to providing capacity for DBS and direct-to-home satellite television service, as well as various other FSS applications.

#### **BENEFITS FROM THE MERGER**

14. This transaction will bring together two premier providers of different satellite communications services. Both companies possess a rich engineering culture, vast knowledge

in complementary satellite disciplines, and experienced personnel in communications centers around the world.

15. As an example, Hughes engineers are experienced with the complicated loading factors and logistics associated with the provision of satellite broadband service, where the data traffic received by each user has an impact on the amount of data that can be accessed and sent by another customer. EchoStar's engineers, for their part, are well-steeped in the logistics of serving millions of customers – far more than now served by Hughes' high speed access service. Efficient deployment of the high-capacity Jupiter 1 satellite calls for precisely this mix of expertise.

16. In addition, the merged company will profit from being able to deploy its combined fleet of satellites more efficiently. Excess capacity on a satellite that is now on the EchoStar side of the ledger could be used readily to satisfy peak demand for a service now provided by Hughes.

17. Furthermore, for the significantly enhanced capacity of the Jupiter 1 satellite to be used most efficiently and effectively, this capacity could be “married” to access a significant subscriber base. EchoStar is in a position to potentially offer this through its relationship with DISH. Significantly, the smooth working of a partnership offering subscribers the potential of a “triple play” bundle (video, high-speed access, and voice) depends on a number of factors, including engineering collaboration that will result in a seamless technological experience for the subscriber. It could be more difficult for an independent Hughes to enter into an effective arrangement of this kind with DISH. The combined entity, by contrast, potentially will be on much better footing in this respect.

I declare under penalty of perjury that the foregoing is true and correct to the best of my information, knowledge, and belief. Executed on February 28, 2011.



**Dean A. Manson**  
Senior Vice President, General Counsel & Secretary  
Hughes Communications, Inc.

## ATTACHMENT 1

### Response to FCC Form 312, Questions 40 and A20

#### Ownership and Corporate Officers and Directors

##### OWNERSHIP

EchoStar Corporation (“EchoStar”) is a publicly traded Nevada corporation. The stockholders owning of record and/or voting 10 percent or more of the voting stock of EchoStar included:

Ownership Interest	Citizenship	Approx. Equity Interest <sup>1</sup>	Approx. Voting Interest <sup>1</sup>
Charles W. Ergen <sup>2</sup> Chairman EchoStar Corporation 100 Inverness Terrace East Englewood, CO 80112	USA	56.4% <sup>3</sup>	92.7%

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<sup>1</sup> As of December 31, 2010.

<sup>2</sup> Includes ownership of both Class A Common Stock and Class B Common Stock. A portion of Mr. Ergen’s interest in EchoStar is held in trusts, including Grantor Retained Annuity Trusts (“GRATs”). The trustee for the GRATs is Mr. William R. Gouger, a U.S. citizen and manager of SC Management, LLC, whose principal business is management services, including estate planning. Mr. Gouger also remains a Partner with the law firm of Gouger, Franzmann & Redman, LLC, located at 400 Inverness Parkway, Suite 250, Englewood, Colorado 80112. In his capacity as trustee, subject to certain restrictions, Mr. Gouger holds, and has the ability to exercise voting power over, shares representing 22.2% of the equity interests (assuming conversion of all shares of outstanding Class B Common Stock into Class A Common Stock) and 36.7% of the voting interests in EchoStar (assuming no conversion of Class B Common Stock).

<sup>3</sup> Assumes conversion of all shares of outstanding Class B Common Stock into Class A Common Stock.

## **CORPORATE OFFICERS AND DIRECTORS<sup>4</sup>**

### **EchoStar Corporation**

#### **Executive Officers:**

Michael T. Dugan	President and Chief Executive Officer
Charles W. Ergen	Chairman
R. Stanton Dodge	Executive Vice President, General Counsel and Secretary
David Rayner	Chief Financial Officer
Roger J. Lynch	Executive Vice President, Advanced Technologies
Mark W. Jackson	President – EchoStar Technologies L.L.C.
Steven B. Schaver	President – EchoStar International Corporation

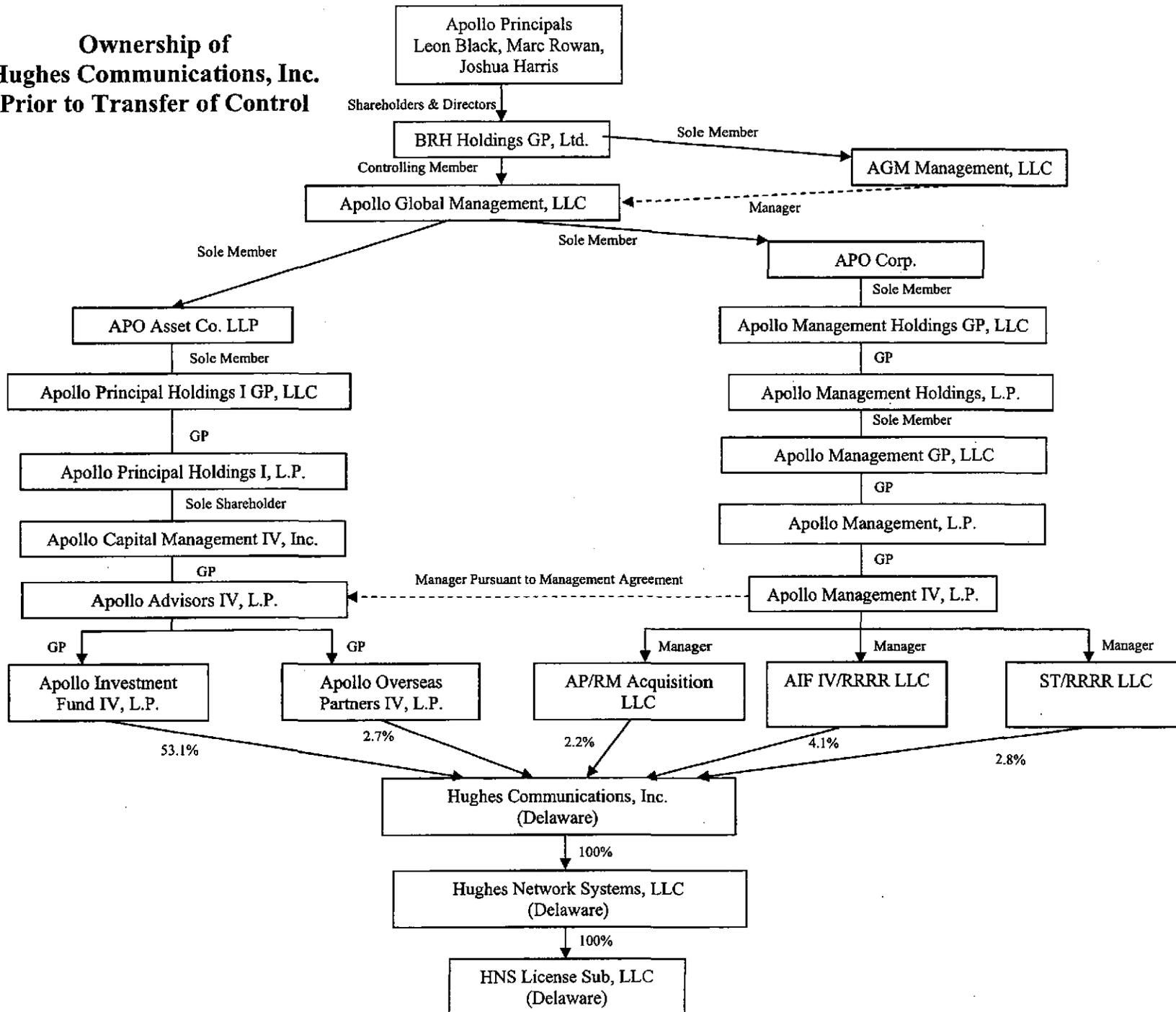
#### **Board of Directors:**

Charles W. Ergen	Chairman of the Board
R. Stanton Dodge	
David K. Moskowitz	
Michael T. Dugan	
Joseph P. Clayton	
Tom A. Ortolf	
C. Michael Schroeder	

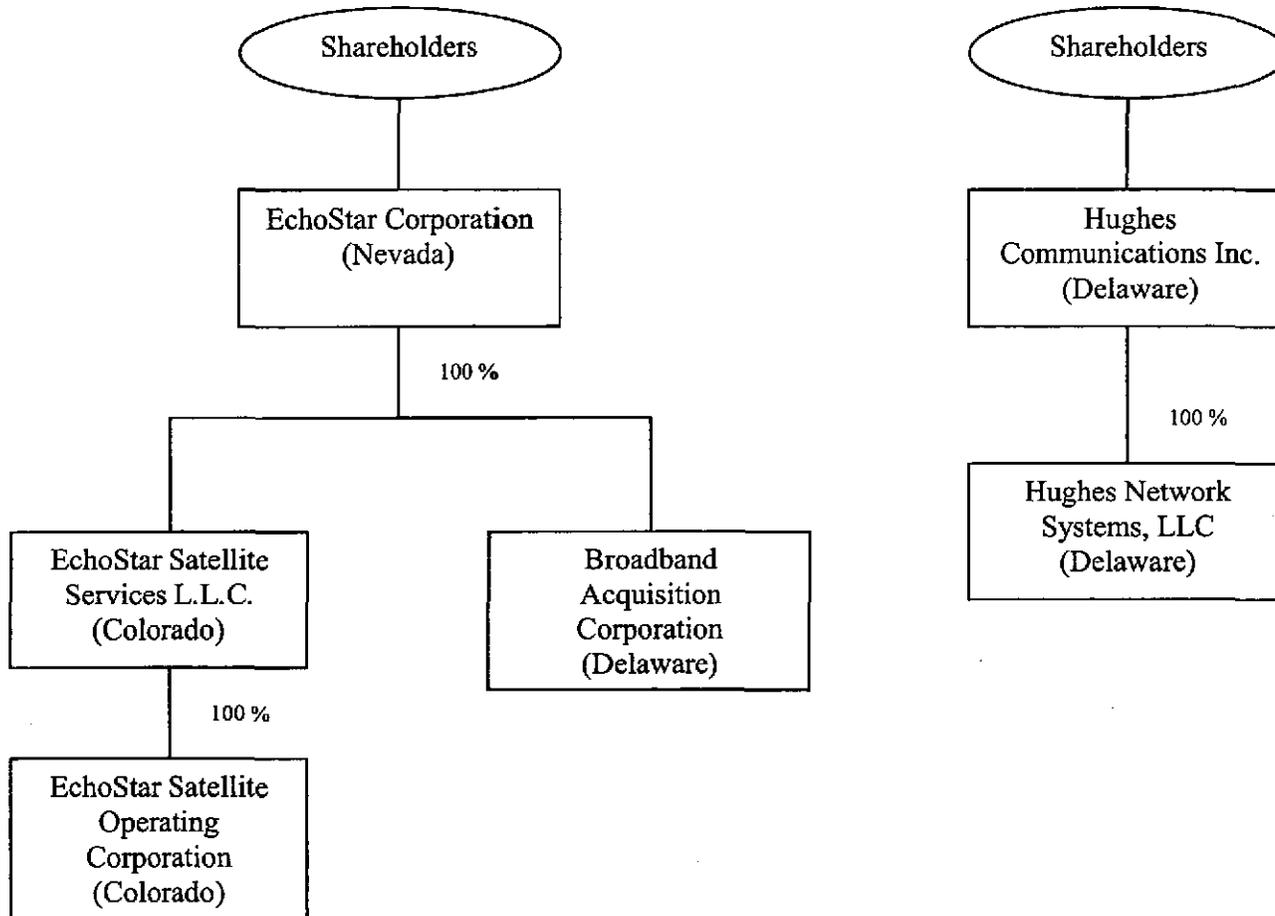
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<sup>4</sup> The address for all officers and directors of EchoStar Corporation is 100 Inverness Terrace E., Englewood, CO 80112.

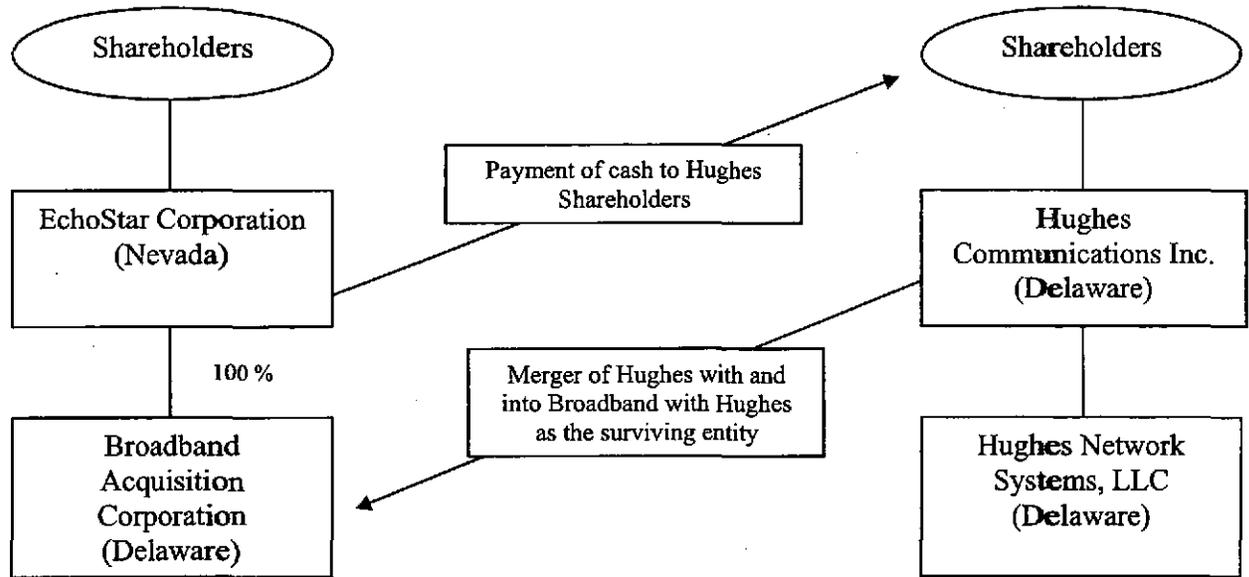
**Ownership of  
Hughes Communications, Inc.  
Prior to Transfer of Control**



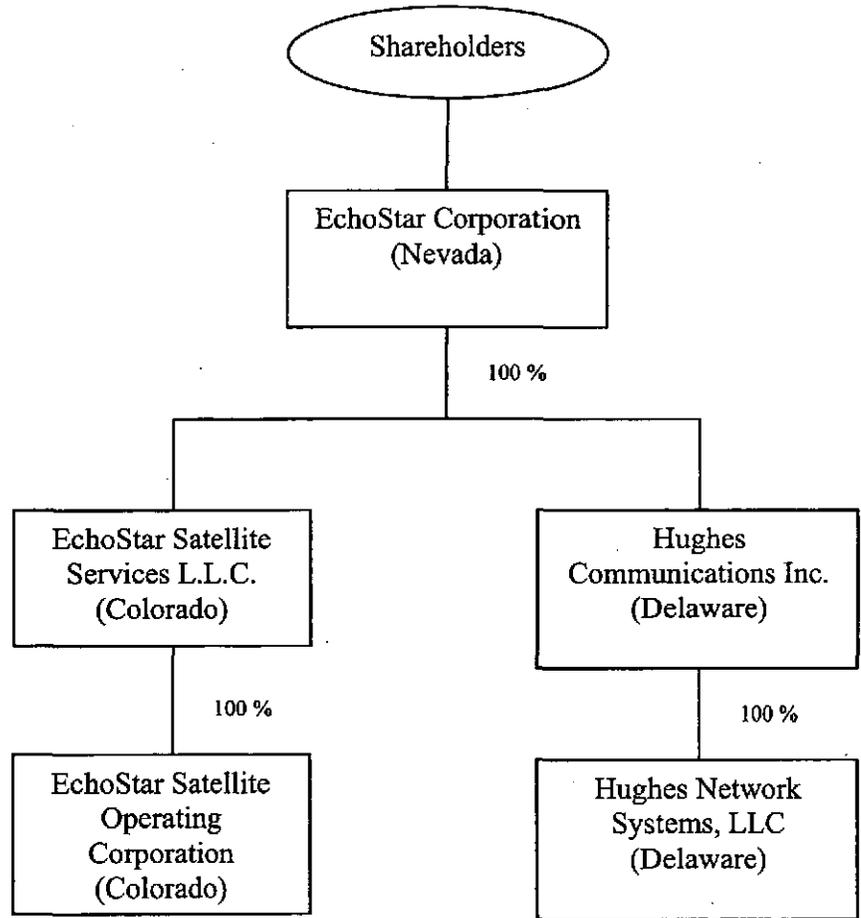
### Simple Organizational Structure of EchoStar and Hughes Prior to the Merger



### Actions Contemplated by the Merger



### Simple Organizational Structure of EchoStar and Hughes Post Merger



## ATTACHMENT 2

### FCC Licenses, Authorizations, and Pending Applications of Hughes Communications, Inc. and Its Subsidiaries

#### I. Satellite Licenses and Authorizations Held by Hughes

Licensee	Satellite Name	Call Sign	Orbital Location	Service	Band	Grant Date	Launch Date
Hughes Network Systems, LLC	SPACEWAY 3	S2663	94.95° W.L.	FSS	KA	4/19/05	8/14/07
Hughes Network Systems, LLC	Jupiter 1 (formerly SPACEWAY 4)	S2753	107.1° W.L.	FSS	KA	5/5/10	Early 2012

#### II. Earth Station Licenses Held by Hughes

##### A. Ka-Band VSAT System<sup>1</sup>

Licensee	Call Sign	Service	Location	Grant Date	Expiration
HNS License Sub, LLC	E060445	VSAT	Germantown, MD	1/12/10	2/27/22

##### B. Ku-Band VSAT System<sup>2</sup>

Licensee	Call Sign	Service	Location	Grant Date	Expiration
HNS License Sub, LLC	E000166 <sup>3</sup>	VSAT	Germantown, MD	7/2/10	9/13/25
HNS License Sub, LLC	E940460	VSAT	North Las Vegas, NV	8/26/08	12/23/19
HNS License Sub, LLC	E990170	VSAT	Southland, MI	5/18/09	7/27/24

##### C. Earth Stations Onboard Vessels ("ESV")<sup>4</sup>

Licensee	Call Sign	Service	Location	Grant Date	Expiration
HNS License Sub, LLC	E020205	ESV	Germantown, MD	6/30/09	9/27/17

##### D. Transmit-Receive Earth Stations

<sup>1</sup> Grant Date reflects latest modification of authorization. Location reflects Hub station location.

<sup>2</sup> Grant Date reflects latest modification of authorization. Location reflects Hub station location.

<sup>3</sup> The VSAT earth station operating under call sign E000166 is currently operating under special temporary authority ("STA") to permit interim changes to frequencies on the hub antenna Hughes used to access the Galaxy 25 satellite due to reassignment of frequencies by the Galaxy 25 satellite operator. See File No. SES-STA-20110111-00036. The STA expires on March 16, 2011. The Applicants request the authority for EchoStar to acquire control of this STA and any STAs subsequently granted to Hughes prior to the approval of this transaction.

<sup>4</sup> Grant Date reflects latest modification of authorization. Location reflects Hub station location.

Licensee	Call Sign	Service	Location	Grant Date <sup>5</sup>	Expiration
HNS License Sub, LLC	E010187	FSS	San Juan, PR	8/28/01	8/28/11
HNS License Sub, LLC	E020195	FSS	Fairbanks, AK	10/12/04	10/24/17
HNS License Sub, LLC	E020206	FSS	Washington, DC	2/17/09	9/27/17
HNS License Sub, LLC	E020207	FSS	Houston, TX	2/17/09	9/30/17
HNS License Sub, LLC	E020208	FSS	Los Angeles, CA	2/17/09	9/27/17
HNS License Sub, LLC	E040382	FSS	New York, NY	10/14/09	11/30/19
HNS License Sub, LLC	E040436	FSS	New York, NY	10/14/09	12/22/19
HNS License Sub, LLC	E050236	FSS	Reston, VA	10/20/08	9/27/20
HNS License Sub, LLC	E060382	FSS	Castle Rock, CO	3/6/07	3/6/22
HNS License Sub, LLC	E060383	FSS	Fillmore, CA	3/6/07	3/6/22
HNS License Sub, LLC	E090178	FSS	Columbia, SC	11/23/09	11/23/24
HNS License Sub, LLC	E8454	FSS	Dayton, OH	10/20/08	3/20/22
HNS License Sub, LLC	E940441	FSS	Oklahoma City, OK	10/20/08	9/9/19
HNS License Sub, LLC	E950010	FSS	Knoxville, TN	10/20/08	12/16/19
HNS License Sub, LLC	E980296	FSS	Sheperdstown, WV	10/20/08	9/4/23

### III. Experimental Licenses Held by Hughes

Licensee	File No.	Call Sign	Description	Expiration
HNS License Sub, LLC	0149-EX-ML-2010	WE2XEW	Mobile (Ku/Ka-band)	6/1/2011
HNS License Sub, LLC	0066-EX-RR-2008	WD2XFP	"Satellite-on-a-Pole" (Ka-band)	5/1/13
HNS License Sub, LLC	0109-EX-RR-2009	WD2XRV	Test Range (Ka-band)	2/1/14

### IV. Pending Hughes Satellite Applications

Applicant	File Number	Call Sign	Orbital Location	Service	Band	Filed Date	Status
Hughes Network Systems, LLC	SAT-LOI-20091110-00120	S2754	109.1° W.L.	FSS	KA	11/10/09	Accepted for filing
Hughes Network Systems, LLC	SAT-LOI-20091110-00121	S2755	90.9° W.L.	FSS	KA	11/10/09	Accepted for filing
Hughes Network Systems, LLC	SAT-T/C-20100527-00113	S2663	94.95° W.L.	FSS	KA	5/27/10	Filed – Payment received

### V. Pending Hughes Earth Station Applications

Applicant	File Number	Call Sign	Service	File Date	Status
HNS License Sub, LLC	SES-MFS-20100419-00452	E060445	FSS	4/19/10	Filed – Payment received
HNS License Sub, LLC	SES-MFS-20100419-00453	E060383	FSS	4/19/10	Filed – Payment received

<sup>5</sup> Grant Date reflects latest modification of authorization.

HNS License Sub, LLC	SES-MFS-20100419-00454	E060382	FSS	4/19/10	Filed – Payment received
HNS License Sub, LLC	SES-MFS-20101230-01641	E000166	VSAT	12/30/10	Accepted for Filing

### ATTACHMENT 3

#### Response to FCC Form 312, Question 36

In a letter dated May 27, 2009, the Satellite Division of the International Bureau returned EchoStar Corporation's ("EchoStar's") application to operate a geostationary C-band satellite at the nominal 85° W.L. orbital location as unacceptable for filing, without prejudice to refiling. *See* Letter from Robert G. Nelson, Chief, Satellite Division, to Pantelis Michalopoulos, Counsel for EchoStar Corporation, DA 09-1149 (May 27, 2009).

On July 29, 2010, the International Bureau dismissed EchoStar's application to construct, launch, and operate a C-band satellite at the 84.9° W.L. orbital location, without prejudice to refiling. EchoStar Corporation, Application to Operate a C-Band Geostationary Satellite Orbit Satellite in the Fixed-Satellite Service at the 84.9° W.L. Orbital Location, *Memorandum Opinion and Order*, DA 10-1401 (July 29, 2010).