Exhibit C to the Disclosure Statement

Organizational Chart

Organizational Chart of TerreStar Corporation

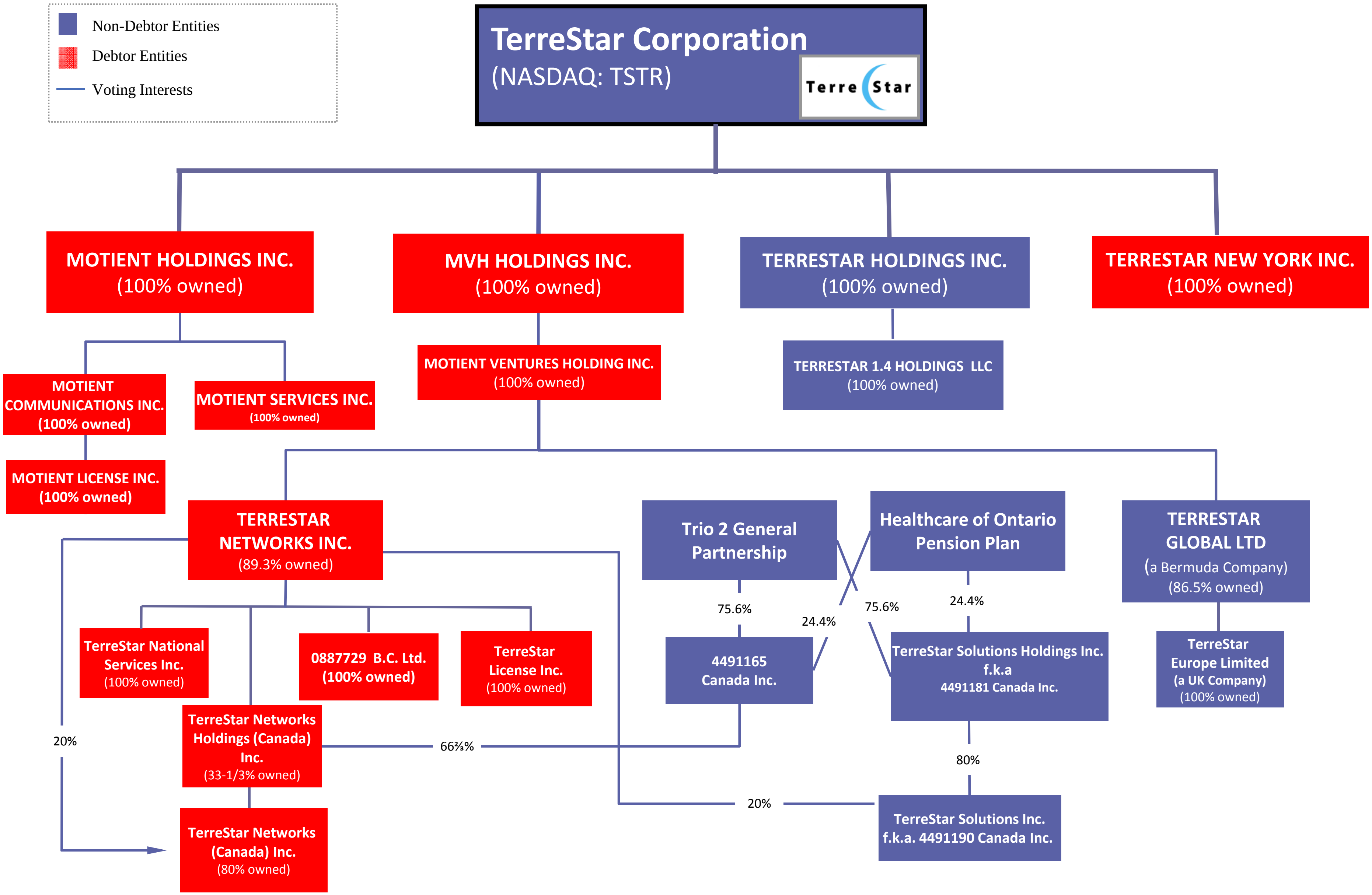

Exhibit D to the Disclosure Statement

Liquidation Analysis

LIQUIDATION ANALYSIS

I. Introduction

Section 1129(a)(7) of the Bankruptcy Code[1] requires that each holder of an impaired Allowed Claim or interest either (i) accepts the Plan or (ii) receives or retains under the Plan property of a value, as of the Effective Date, that is not less than the value such holder would receive or retain if the Debtors[2] were liquidated under Chapter 7 of the Bankruptcy Code on the Effective Date of the Plan. To demonstrate that the Plan satisfies this standard, the Debtors, in consultation with their legal and financial advisors, have prepared the Liquidation Analysis under a hypothetical liquidation under Chapter 7 (a "Liquidation") that a) estimates the realizable value of the Liquidating Debtors, and b) estimates the distribution to creditors resulting from the Liquidation.

The Liquidation Analysis is based on a number of estimates and assumptions that are inherently subject to significant economic, competitive and operational uncertainties and contingencies that are beyond the control of the trustee under Chapter 7. Further, the actual amounts of claims against the Liquidating Debtors' estates could vary materially from the estimates set forth in the Liquidation Analysis, depending on, among other things, the claims asserted during the liquidation proceedings under Chapter 7. Accordingly, while the information contained in the Liquidation Analysis is necessarily presented with numerical specificity, the Debtors cannot assure you that the values assumed would be realized or the claims levels assumed would not change if the Liquidating Debtors were in fact liquidated, nor can assurance be made that the Bankruptcy Court would accept this analysis or concur with these assumptions in making its determination under section 1129(a) of the Bankruptcy Code.

The following provides a general summary of the assumptions used in the Liquidation Analysis. In addition, the Notes to the Liquidation Analysis discuss more specific assumptions, and the Liquidation Analysis should be read in conjunction with the Notes.

II. General Assumptions

The Liquidation Analysis assumes the conversion of the Debtors' Chapter 11 Cases to chapter 7 liquidation cases on March 31, 2011 (the "Conversion Date"). On the Conversion Date, it is assumed that the Bankruptcy Court would appoint one chapter 7 trustee (the "Trustee") to oversee the liquidation of the Estates. The liquidation is assumed to take six months to complete (the "Liquidation Period").

The Liquidation Analysis includes expenses expected to be incurred during the Liquidation Period, including those related to trustee fees, receiver fees, legal fees and other professional fees and operating / wind-down expenses as applicable to

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[1] Capitalized terms used and not defined herein shall have the meanings ascribed to them in the Disclosure Statement or the Plan, as applicable.
[2] All references to the "Debtors" shall mean the "TSN Debtors".

each of the Liquidating Debtors.

III. Methodology

A forced sale analysis of the business as a going concern was used to estimate the approximate liquidation range of value for the TSN Debtors' assets. To facilitate this transaction, Secured creditors are assumed to credit-bid their claims estimated at an amount that would be just greater than a third-party would be willing to pay (subject to a maximum credit-bid of their claim amount of $1.1bn [(1)] at the Conversion Date for the TSN Debtors' assets). The TSN Debtors believe that the assets have the highest potential recovery value under this scenario, as the risk that the FCC would reclaim the S-band license is lowered if the TSN Debtors can continue as a going concern. To be clear, in any other liquidation scenario (including, without limitation, any scenario in which the FCC reclaimed the license and the TSN Debtors and their creditors were unable to capture the value thereof), liquidation recovery values would be significantly reduced.

Under the approach outlined in the paragraph above, the valuation ultimately decided by the Bankruptcy Court for the assets of DBSD North America ("DBSD") was determined to be the best proxy for the valuation of the TSN Debtors' assets in a forced sale of the business as a going concern. *In re DBSD N. Am., Inc.* et al., Case No. 09-13061 (REG) (Bankr. S.D.N.Y. July 13, 2009). This valuation was then adjusted by adding any liquidation proceeds of TerreStar-2, a ground spare satellite. This adjustment was necessary as DBSD did not own or have access to a ground spare.

The DBSD valuation was determined to be the best proxy for the liquidation value of the TSN Debtors because the assets of the TSN Debtors and DBSD (with the exception of TerreStar-2) are very similar, and the valuation reflects the "failed auction" of DBSD's assets and limited universe of prospective buyers. The TSN Debtors' ownership of TerreStar-2 is assumed to provide incremental value relative to the DBSD valuation.

The Liquidation Analysis assumes that the estimated value of the TerreStar-2 Satellite would be less than the amounts owing under the Purchase Money Credit Agreement and the Debtors' DIP Financing Facility (net of costs associated with liquidation). Thus, any disputes that have been raised over unsecured creditors' entitlement to excess value of TerreStar-2 (after repayment of the Purchase Money Credit Agreement) are not material.

Subject to the qualifications and assumptions stated herein, this Liquidation Analysis estimates gross distributable value less liquidation costs of approximately $607 million to $823 million ("Net Liquidation Proceeds"). The Liquidation Analysis estimates that the Liquidation Proceeds will not be sufficient to pay pre-petition secured claims, chapter 11 administrative and priority claims and DIP Financing claims in full, and therefore there will be no net value available to unsecured creditors in a Liquidation.

[(1)] Estimated as $1.010bn of 15.0% Secured Note Claims and $92 million of PMCA claims.

Liquidation Analysis Summary

Debtors' Assets	Note	Projected Book Value as of 3/31/2011		Estimated Liquidation Value Low	Estimated Liquidation Value High
Cash and Cash Equivalents		$ 2			
Inventories, net		5			
Due from TerreStar Global		0			
Deferred Issuance Costs		5			
Other Current Assets		10			
Restricted Cash		0			
Property & Equipment, Net		747			
TerreStar-2	A	275			
Intangible Assets		1			
Gross Estimated Liquidation Proceeds Available for Distribution		**$ 1,045**		**$ 635** [1]	**$ 858** [1]
Costs Associated with Liquidation:	B				
Payroll and Overhead Costs				$ (7)	$ (7)
Chapter 7 Trustee Fees				(19)	(26)
Chapter 7 Professional Fees				(2)	(2)
Net Estimated Liquidation Proceeds Available for Distribution				**$ 607**	**$ 823**

Distribution Summary	Note	Estimated Allowable Claims	Low	High
Chapter 11 Claims				
Carve Out for Professional Fees				
Carve Out for Professional Fees	C	$ 1	$ 1	$ 1
Hypothetical Recovery to Holders of Claims Satisfied by the Carve Out			100%	100%
Proceeds Available After Distributions on Account of the Carve Out			$ 606	$ 822
DIP Claims [2]	D			
DIP Facility		$ 75	$ 39	$ 61
Hypothetical Recovery to Holders of DIP Claims			52%	81%
Proceeds Available After Distributions on Account of DIP Claims			$ 566	$ 761
Pre-Petition Claims				
Secured Claims	E			
PMCA Credit Facility		$ 92	$ 92	$ 92
Hypothetical Recovery to Holders of PMCA Claims			100%	100%
Proceeds Available After Distributions on Account of PMCA Claims			$ 475	$ 669
15.0% Secured Notes		$ 1,010	$ 475	$ 669
Hypothetical Recovery to Holders of Secured Claims			47%	66%
Proceeds Available After Distributions on Account of 15.0% Secured Notes			$ -	$ -
Unsecured Claims	F			
Admin. Claims, Priority Tax Claims, and Other Priority Claims		N/A	$ -	$ -
Hypothetical Recovery to Holders of Admin. Claims, Priority Tax Claims, and Other Priority Claims			0%	0%
Proceeds Available After Distributions on Account of Admin. Claims, Priority Tax Claims, and Other Priority Claims			$ -	$ -
General Unsecured Claims	G	N/A	$ -	$ -
Hypothetical Recovery to Holders of General Unsecured Claims			0%	0%
Proceeds Available After Distributions on Account of General Unsecured Claims			$ -	$ -

[1] In the low case, includes $135 million of TerreStar-2 value and $500 million of value attributable to all other assets. In the high case, includes $158 million of TerreStar-2 value and $700 million of value attributable to all other assets.
[2] DIP Facility not assumed to receive 100% recovery due to its junior lien position relative to the PMCA with respect to TerreStar-2.

Footnotes to Liquidation Analysis

Note A – TerreStar-2

The book value of the work in progress on the TerreStar-2 satellite is added to the DBSD valuation range of $492 million to $692 million as the DBSD North America valuation did not include the liquidation proceeds of a second satellite. On August 17, 2010, Duff & Phelps, LLC ("D&P") was engaged to perform an appraisal of the TerreStar-2 satellite. D&P determined the appraisal value of TerreStar-2 to range from $185 million to $210 million. The liquidation value of TerreStar-2 is estimated to be $135 million to $158 million, based on a 25% discount to the D&P appraisal value range.

For purposes of the Liquidation Analysis, it was assumed that the proceeds of the TerreStar-2 liquidation would be applied first to the PMCA claims, then to the DIP Financing claims (the DIP Financing Facility has a lien that is junior to any liens held by the holders of the PMCA Credit Facility and the 15.0% Secured Notes).

Note B - Costs Associated with Liquidation

Chapter 7 trustee fees include those fees associated with the appointment of a Chapter 7 trustee in accordance with section 326 of the Bankruptcy Code. Trustee fees are estimated based on the requirements of the Bankruptcy Code and historical experience in other similar cases and are calculated at 3% of the Debtors' total liquidation value.

Other necessary liquidation / wind-down costs for the disposition of assets are estimated to include occupancy expenses such as rent, utilities, property taxes and building insurance and operating expenses such as telephone, supply, security and maintenance expenses. In addition, wind-down costs include severance and on-site management expenses required to close facilities, disassemble equipment and to prepare assets for sale. Such costs are approximated at $7 million over the six month period.

Fees for professionals (legal, investment banking, appraisal, brokerage, and accounting) to assist the Liquidating Debtors and the trustee under Chapter 7 with the liquidating process are assumed to start at approximately $500,000 per month gradually declining to $250,000 per month during the six month period.

Note C – Carve Out for Professional Fees

The amount of the Carve Out for accrued and unpaid professional fees and disbursements at March 31, 2011 is estimated to be approximately $1.0 million.

Note D – DIP Claims

For purposes of the Liquidation Analysis, the estimated amount outstanding under the DIP Financing Facility as of March 31, 2011 is approximately $75 million including accrued interest. DIP Financing Facility claims are assumed to be paid off, to the extent remaining proceeds are available, with cash from the proceeds of the liquidation of TerreStar-2, on which the DIP Financing Facility has a lien that is junior to any liens held by the holders of the PMCA Credit Facility and the 15% Senior Secured Notes.

Note E –Secured Claims

For purposes of the Liquidation Analysis, we have assumed that Secured Claims will consist primarily of the claims associated with the Purchase Money Credit Agreement and the 15.0% Secured Notes, with accreted balances of approximately $92 million and $1,010 million, respectively as of the assumed liquidation date of March 31, 2011.

Note F – Administrative Claims, Priority Tax Claims, Other Priority Claims, Chapter 11 Post-petition Accounts Payable, and Accrued Liabilities

Administrative Claims, Priority Tax Claims, Other Priority Claims, Chapter 11 Post-Petition Accounts Payable, and Accrued Liabilities include unpaid post-petition operating expenses of the Debtors' Estates as projected at March 31, 2011. Administrative Claims are assumed to be paid on a pro rata basis from the net proceeds, if any, remaining after the payment of and distributions on account of liquidation costs, the Carve Out and Secured Claims. Priority Tax Claims are assumed to be paid on a pro rata basis from the net proceeds available, if any, after the payment of and distributions on account of liquidation costs, the Carve Out, Secured Claims and Administrative Claims. Other Priority Claims, Chapter 11 Post-Petition Accounts Payable, and Accrued Liabilities would be paid in the priority as set forth in the Bankruptcy Code. In light of the fact that no net liquidation proceeds are available to be distributed to holders of these claims, no estimate is given.

Note G – General Unsecured Claims

For purposes of the Liquidation Analysis, the Debtors' management has assumed that unsecured claims will consist of estimated General Unsecured Claims and Convenience Class Claims as defined in the Plan. It should be noted that the Liquidation Analysis does not attempt to estimate potential additional General Unsecured Claims that would likely arise as a result of the rejection of remaining executory contracts and unexpired leases or the failure of the Debtors to perform under existing contracts with their suppliers. Such additional claims would likely result from a cessation of operations as contemplated in a chapter 7 liquidation and would likely be substantial in amount. Additionally, potential litigation claims have not been included. General Unsecured Claims are assumed to be paid on a pro rata basis from the net liquidation proceeds available, if any, after distributions on account of all other Claims. In light of the fact that no net liquidation proceeds are available to be distributed to holders of General Unsecured Claims, no estimate is given.

Exhibit E to the Disclosure Statement

Financial Projections

A. Purpose and Objectives

The TSN Debtors[1] prepared the Reorganized TerreStar Networks Pro Forma Balance Sheet, Projected Balance Sheet, Projected Income Statement, and Projected Cash Flow Statement (collectively, the "Financial Projections") for the years 2011 through 2015 (the "Projection Period"). The Financial Projections are based on a number of assumptions made by management with respect to the future performance of the TSN Debtors' operations. The Financial Projections and related assumptions in this Exhibit E are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Although management has prepared the Financial Projections in good faith and believes the assumptions to be reasonable, it is important to note that the TSN Debtors can provide no assurance that such Financial Projections and assumptions will be realized. As described in detail in the Disclosure Statement, a variety of risk factors could affect the TSN Debtors' actual financial results and must be considered. You are encouraged to read these risk factors in their entirety. See Article XI of the Disclosure Statement. The Financial Projections should be reviewed in conjunction with a review of these assumptions, including the accompanying qualifications and footnotes. Should actual results or conditions differ from such assumptions, the actual results and financial condition of the TSN Debtors may differ materially from those presented in the Financial Projections. The TSN Debtors did not prepare the Financial Projections with a view toward compliance with published guidelines of the Securities and Exchange Commission or guidelines established by the FASB, particularly for reorganization accounting. The TSN Debtors' independent accountants have neither examined nor compiled the Financial Projections and accordingly do not express an opinion or any other form of assurance with respect to the Financial Projections, assume no responsibility for the Financial Projections and disclaim any association with the Financial Projections. In addition, for comparative presentation purposes, the operations and cash flow for 2011 combine the predecessor company (January 1, 2011 through the Effective Date) and successor company (assumed Effective Date through December 31, 2011) to allow for a full year presentation.

All dollar amounts in the Financial Projections are US dollars unless otherwise indicated and any reference to "GAAP" refers to the generally accepted accounting principles in the United States of America.

B. General Assumptions

1. Methodology

The Financial Projections have been prepared by management and are based on the TSN Debtors' detailed operating forecast for 2011-2015. The Financial Projections reflect the strategic initiatives of the TSN Debtors including the launch of the Roam-in business with AT&T as the exclusive provider.

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(1) Capitalized terms used and not defined herein shall have the meanings ascribed to them in the Disclosure Statement or the Plan, as applicable.

2. Plan Consummation

The operating assumptions assume that the Plan will be confirmed and consummated by March 31, 2011.

3. Roam-in Business

In September 2009, the TSN Debtors entered into a Mobile Satellite Services and Support Agreement with AT&T Mobility under which AT&T will offer certain of TerreStar's satellite communications services initially to its government and enterprise customers. In November 2010, the roam-in product was launched to consumers. The Financial Projections assume AT&T is the sole seller of Roam-in services.

4. Restructured Contracts

The Financial Projections assume the TSN Debtors continue to receive the benefit of several of their existing contract vendor relationships. Currently, not all of these required vendors have entered into settlements with the TSN Debtors regarding pre-petition amounts owed. For purposes of the Plan, the TSN Debtors have assumed restructuring these contracts with notes and cash payments, along with contract modifications, where applicable. The Financial Projections do not include these potential settlements. To the extent new notes are used for settlement purposes such notes shall require consent of the Plan Sponsor. Recoveries stated herein do not include the impact of additional cash or notes used for settlements with these contract vendors.

5. S-Band Spectrum

The TSN Debtors have the right to use two 10 MHz blocks of contiguous and unshared MSS S-band spectrum covering a population of over 330 million throughout the United States and Canada. On January 13, 2010, the TSN Debtors were granted authority by the FCC to operate dual-mode mobile terminals that can be used to communicate either via TerreStar's geosynchronous-orbit MSS satellite or ancillary terrestrial component ("ATC") base stations. The Financial Projections assume no revenues associated with S-Band Spectrum, other than revenues derived from the Roam-in Business.

6. Handset Inventory

The Financial Projections assume that the TSN Debtors will procure approximately 10,000 Genus handsets in 2010 from Elektrobit, which are projected to be sold by June 2011. Thereafter, the handsets will be directly sold to consumers by third parties. The TSN Debtors have no formal agreement with a third party to sell handsets, but are in discussions with one or more parties with regard thereto.

7. Rights Offering

The projections assume the TSN Debtors receive total proceeds from the rights offering of $125 million and an additional $25 million from the exercise by the Plan Sponsor of the Overallotment (i.e. $150 million in total equity proceeds raised). To the extent the TSN Debtors do not receive such proceeds, the TSN debtors may be required to obtain additional capital prior to 2012.

C. Projected March 31, 2011 Balance Sheet and Reorganized TerreStar Networks Pro Forma Balance Sheet

The Projected March 31, 2011 Balance Sheet was developed using the TSN Debtors' actual September 30, 2010 audited balance sheet adjusted to reflect management's projected operating results for the quarter ended December 31, 2010 through March 31, 2011. On the Effective Date, actual results may differ due to a variety of risk factors as discussed in Article XI of the Disclosure Statement. Adjustments were made to the Reorganized TerreStar Networks Pro Forma Balance Sheet to give effect to assumed consummation of the Plan. The estimated pro forma adjustments regarding the reorganized equity value of the TSN Debtors, their assets, or their liabilities will be based upon the fair value of the assets and liabilities as of the Effective Date.

As described more fully below, the Reorganized TerreStar Networks' Balance Sheet reflects Reorganized TerreStar Networks pro forma capital structure resulting from the consummation of the Plan. Specifically, and consistent with the assumptions set forth above, the Reorganized TerreStar Networks Balance Sheet assumes (a) that the TSN Debtors will have pro forma funded indebtedness of $91.5 million consisting of amounts under the existing Purchase Money Credit Agreement and (b) a $125 million Rights Offering pursuant to the terms as described more fully in Article VIII of the Disclosure Statement, as well as the exercise of the Plan Sponsor's $25 million Overallotment. The Overallotment is only exercisable at the option and sole discretion of the Plan Sponsor. The TSN Debtors' pro forma capital structure may change depending upon market conditions with respect to the TSN Debtors' capital raise efforts, operating performance and other sources of cash that might be available to the TSN Debtors.

Condensed Consolidated Balance Sheet
Unaudited, $ in millions

	March 31, 2011			
	Projected	Pro Forma Adjustments		Pro Forma
ASSETS				
Cash and Cash Equivalents	$2.2	$74.4	(1)	$76.7
Other Current Assets	10.1	(2.0)	(2)	8.1
Total Current Assets	12.3	72.4		84.7
Property, Plant, & Equipment, net	1,021.9	0.0	(3)	1,021.9
Reorg. Value in Excess of Book Value of Assets	0.8	198.9	(4)	199.7
Deferred Issuance Costs	4.8	(4.8)	(5)	0.0
Handset Inventory	5.0	0.0		5.0
Deferred Tax Assets	0.0	0.0		0.0
Total Assets	$1,044.9	$266.5		$1,311.3
LIABILITIES				
DIP	$63.6	($63.6)	(6)	$0.0
Post-Petition Accounts Payable	0.0	0.0		0.0
Deferred Rent and Other Liabilities	21.6	0.0		21.6
Accrued Professional Fees	12.0	(12.0)	(7)	0.0
Purchase Money Credit Agreement	91.5	0.0		91.5
Total Liabilities Not Subject-to-Compromise	188.7	(75.6)		113.1
Total Liabilities Subject-to-Compromise	1,595.7	(1,595.7)	(8)	0.0
Total Liabilities	1,784.4	(1,671.3)		113.1
SHAREHOLDERS' EQUITY				
New Preferred Stock	0.0	150.0	(9)	150.0
Retained Earnings	(739.5)	1,787.7	(10)	1,048.2
Total Equity	(739.5)	1,937.7		1,198.2
Total Liabilities & Shareholder's Equity	$1,044.9	$266.5		$1,311.3

Notes to the Pro Forma Condensed Consolidated Balance Sheet

(1) Cash and Cash Equivalents

The adjustment of $74.4 million reflects proceeds of the $125.0 million of Rights Offering and the exercise of the $25.0 million Overallotment at the Plan Sponsor's sole discretion, less $63.6 million of DIP financing repayment and $12.0 million of accrued professional fees paid at emergence.

(2) Other Current Assets

The adjustment of $2.0 million is due to the write-down of deferred issuance costs at emergence.

(3) Property, Plant, & Equipment, net

All Property, Plant, & Equipment values will be subject to appraisals pursuant to fresh start accounting and are therefore subject to change.

(4) Reorg. Value in Excess of Book Value of Assets

The adjustment of $198.9 million is due to the surplus of the fair market value of assets over tangible book value implied by the equity value of the Reorganized TSN Debtors of $1,198.2 million (inclusive of the $150.0 million of New Preferred Stock). This adjustment is subject to change upon application of fresh start accounting and related appraisals.

(5) Deferred Issuance Costs

The adjustment of $4.8 million is due to the write-down of deferred issuance costs at emergence.

(6) DIP

The projected DIP financing balance of $63.6 million will be repaid in cash at emergence.

(7) Accrued Professional Fees

Accrued professional fees of $12.0 million will be paid in cash at emergence. These professional fees are funded by drawing on the DIP financing facility.

(8) Liabilities Subject-to-Compromise

Upon emergence, the TSN Debtors' Liabilities Subject-to-Compromise will be written down in full.

(9) New Preferred Stock

The $150.0 million adjustment to New Preferred Stock represents the proceeds from the $125.0 million of Rights Offering and the exercise of the $25.0 million Overallotment at the Plan Sponsor's sole discretion. This adjustment is subject to change upon application of fresh start accounting.

(10) Shareholders' Equity

Adjustments to shareholders' equity were based on the estimated equity value of the Reorganized TSN Debtors of $1,048.2 million (excluding $150.0 million of New Preferred Stock) in accordance with "fresh start" accounting provisions of SOP 90-7.

D. Reorganized TerreStar Networks Projected Income Statement

Condensed Consolidated Projected Statement of Operations
Unaudited, $ in millions

	Projected Financials for the Year Ended December 31,				
	2Q-4Q 2011	**2012**	**2013**	**2014**	**2015**
Revenue					
Roam-In	$9.7	$41.6	$63.2	$74.9	$79.3
Total Revenue	9.7	41.6	63.2	74.9	79.3
Operating Expenses					
Corporate Overhead	(8.6)	(11.3)	(11.9)	(12.3)	(12.5)
Satellite Operations	(16.5)	(21.1)	(20.9)	(21.3)	(21.7)
Roam-in and Genus Maintenance	(18.8)	(17.8)	(17.5)	(17.6)	(16.5)
Canada	(1.4)	(2.0)	(2.1)	(2.1)	(2.1)
Total Operating Expenses	(45.3)	(52.1)	(52.4)	(53.3)	(52.8)
Depreciation & Amortization	(26.7)	(35.6)	(35.7)	(35.9)	(36.0)
Operating Income (Loss)	(62.3)	(46.1)	(24.8)	(14.2)	(9.5)
Non-Cash Interest Expense	(10.1)	(1.5)	0.0	0.0	0.0
Cash Interest Expense	0.0	(12.8)	(14.4)	(14.4)	(14.4)
Reorganization Expenses	0.0	0.0	0.0	0.0	0.0
Income Before Taxes	(72.4)	(60.4)	(39.3)	(28.7)	(24.0)
Income Tax Provision (Benefit)	25.3	21.1	13.7	10.0	8.4
Net Income (Loss)	**($47.0)**	**($39.3)**	**($25.5)**	**($18.6)**	**($15.6)**

1. Revenue

The TSN Debtors are expected to generate revenue from monthly recurring charges ("MRC") and the sale of voice minutes and data to roam-in subscribers. Subscribers are billed monthly and pay a fixed MRC plus per-minute usage fees for voice and per-megabyte usage fees for data. The TSN Debtors capture a portion of each of these fees. When building the projections, the TSN Debtors used assumptions about usage to develop an average revenue per user ("ARPU"). The major assumptions underlying roam-in revenue projections are described below:

i. Subscriber growth: subscribers are projected to grow from approximately 40,714 in 2011 to 155,753 in 2015 as the TSN Debtors capture a greater proportion of the addressable market for the roam-in plan.

ii. ARPU: ARPU declines from $50.00 per month in 2011 to $42.68 in 2015 as per minute charges decline due to forecasted increased competition in the market.

2. Operating Expenses

The TSN Debtors' expenses predominantly relate to maintaining the satellite infrastructure and costs associated with launching the Roam-In business including maintenance of the Genus handset hardware and software. These costs are described more fully below:

i. *Corporate Overhead*. Includes executive compensation, corporate utilities, audit fees, board costs, counsel, software licenses and upgrades and other IT costs. These costs represent approximately 20% of total costs in 2011 and 24% of total costs by 2015.

ii. *Satellite Operations*. Represents all costs necessary to operate TerreStar-1, store TerreStar-2 and operate the ground network. These costs represent approximately 35% of total costs in 2011 and 41% of total costs by 2015.

iii. *Roam-In and Genus Maintenance*. Includes costs associated with the roam-in product including contractual commitments for operating and billing systems, costs associated with the core network, E911 and other regulatory costs and costs associated with ongoing hardware and software development of the Genus phone. These costs represent approximately 42% of total costs in 2011 and 31% of total costs by 2015.

iv. *Canada*. Includes costs associated with employees and maintenance of the satellite gateway in Allen Park, Ontario.

3. Depreciation & Amortization

Depreciation & Amortization expense projections are based on the TSN Debtors' assumption that the average useful life of all Property, Plant, & Equipment remains consistent with pre-reorganization practices. All Depreciation & Amortization expense projections are subject to change upon application of fresh start accounting and related appraisals.

4. Interest Expense

Interest expense projections are based on the TSN Debtors' estimated post-emergence capital structure assumed to be effective on March 31, 2011. The post-emergence debt is comprised of the PMCA which is assumed to accrue interest in-kind at a rate of 14.0% until February 2012, at which point interest will be paid in cash.

5. Reorganization Items.

The 2011 Reorganization Items consist of actual and estimated post petition fees for legal and professional advisors. These amounts exclude any gains or losses associated with the extinguishment of debt and revaluation of assets and liabilities under fresh-start reporting.

6. Income Taxes.

The Financial Projections assume the Reorganized TSN Debtors will not pay any taxes based on negative earnings before tax generated during the projection period.

E. Reorganized TerreStar Networks Balance Sheets

The Reorganized TerreStar Networks Balance Sheets below set forth the projected financial position of the TSN Debtors, after giving effect to the projected March 31, 2011 Balance Sheet, the proposed reorganization and related pro forma adjustments described in Section C. The Reorganized TerreStar Networks Balance Sheets were developed based upon the projected results of operations and cash flows over the Projection Period.

Condensed Consolidated Projected Balance Sheet
Unaudited, $ in millions

	Projected Financials for the Year Ended December 31,					
	1Q 2011 (PF)	**2011**	**2012**	**2013**	**2014**	**2015**
ASSETS						
Cash and Cash Equivalents	$76.7	$43.7	$14.2	$3.9	$4.0	$8.5
Other Current Assets	8.1	8.1	8.1	8.1	8.1	8.1
Total Current Assets	$84.7	$51.8	$22.3	$12.0	$12.1	$16.6
Property, Plant, & Equipment, net	1,021.9	999.5	968.5	937.8	907.3	876.8
Reorg. Value in Excess of Book Val. of Assets	199.7	199.7	199.7	199.7	199.7	199.7
Handset Inventory	5.0	0.0	0.0	0.0	0.0	0.0
Deferred Tax Assets	0.0	25.3	46.5	60.2	70.3	78.6
Total Assets	**$1,311.3**	**$1,276.3**	**$1,237.0**	**$1,209.7**	**$1,189.3**	**$1,171.7**
LIABILITIES						
Accounts Payable	$0.0	$3.1	$3.1	$3.0	$3.1	$3.0
Deferred Rent and Other Liabilities	21.6	20.5	18.9	17.3	15.4	13.5
Purchase Money Credit Agreement	91.5	101.6	103.1	103.1	103.1	103.1
Total Liabilities	113.1	125.2	125.1	123.4	121.6	119.6
SHAREHOLDER'S EQUITY						
New Preferred Stock	150.0	150.0	150.0	150.0	150.0	150.0
Retained Profits (Deficit)	1,048.2	1,001.2	961.9	936.4	917.7	902.1
Total Equity	1,198.2	1,151.2	1,111.9	1,086.4	1,067.7	1,052.1
Total Liabilities & Shareholder's Equity	**$1,311.3**	**$1,276.3**	**$1,237.0**	**$1,209.7**	**$1,189.3**	**$1,171.7**

F. Reorganized TerreStar Networks Statement of Cash Flow

The Reorganized TerreStar Networks Statement of Cash Flow sets forth the TSN Debtors' forecasted change in cash, after giving effect to the proposed reorganization.

Condensed Consolidated Projected Statement of Cash Flows
Unaudited, $ in millions

	Projected Financials for the Year Ended December 31,				
	2Q-4Q 2011	**2012**	**2013**	**2014**	**2015**
Operating Activities:					
Net Income (Loss)	($47.0)	($39.3)	($25.5)	($18.6)	($15.6)
Depreciation & Amortization	26.7	35.6	35.7	35.9	36.0
Change in Accounts Payable	3.1	(0.0)	(0.0)	0.0	(0.1)
Non-Cash Interest Expenses	10.1	1.5	0.0	0.0	0.0
Handset Sales / (Purchases)	5.0	0.0	0.0	0.0	0.0
Non-Cash Taxes	(25.3)	(21.1)	(13.7)	(10.0)	(8.4)
Net Cash Used in Operating Activities	(27.6)	(23.3)	(3.6)	7.3	11.9
Investing Activities:					
TerreStar-1 Orbital Performance Incentives	(1.1)	(1.6)	(1.7)	(1.8)	(1.9)
Capital Expenditures	(4.3)	(4.6)	(5.1)	(5.4)	(5.5)
Net Cash Used in Investing Activities	(5.4)	(6.2)	(6.7)	(7.2)	(7.4)
Financing Activities:					
Purchase Money Credit Agreement	0.0	0.0	0.0	0.0	0.0
Net Cash Used in Financing Activities	0.0	0.0	0.0	0.0	0.0
Net Change in Cash & Cash Equivalents	**($32.9)**	**($29.5)**	**($10.3)**	**$0.1**	**$4.5**
Beginning Cash and Cash Equivalents	$76.7	$43.7	$14.2	$3.9	$4.0
Change in Cash and Cash Equivalents	(32.9)	(29.5)	(10.3)	0.1	4.5
Ending Cash and Cash Equivalents	$43.7	$14.2	$3.9	$4.0	$8.5

1. Working Capital

Working capital does not represent a material use or source of cash during the projection period. No Genus handsets are projected to be purchased after 2010.

2. Capital Expenditures

Capital expenditures are expected to range from approximately $5.0 million to $7.5 million for the years 2011 through 2015. The majority of these expenses are related to TerreStar-1's orbital performance incentive and maintenance of the core network.

Exhibit F to the Disclosure Statement

Valuation Analysis

VALUATION ANALYSIS

A. VALUATION OF THE REORGANIZED TSN DEBTORS

In conjunction with formulating the Plan, the TSN Debtors determined that it was necessary to estimate the post-Confirmation going-concern value of the Reorganized Debtors. Accordingly, the TSN Debtors, with the assistance of Blackstone, its financial advisors, has prepared the foregoing valuation.

For purposes of the Plan, the reorganization value (the "Reorganization Value") is estimated to range from approximately $1.07 billion to $1.37 billion. The Reorganization Value reflects the going concern value of the Reorganized TSN Debtors after giving effect to the implementation of the Plan. The distributable value (the "Distributable Value") of the Reorganized TSN Debtors is estimated to range from approximately $905 million to $1.20 billion, with an approximate midpoint value of $1.05 billion. The Distributable Value reflects the Reorganization Value less the estimated $91.5 million of PMCA obligations and $75.3 million of DIP Financing obligations. For purposes of the Plan, based on 30,000,000 shares of Common Stock of the Reorganized TSN Debtors (inclusive of the New Common Stock underlying the New Preferred Stock), subject to dilution from options and any equity grants in connection with the management incentive plan, the New Common Stock will have a plan value of $39.94.

In preparing an estimate of Reorganization Value, Blackstone conducted *inter alia*, the following due diligence:

(1) Review of the TSN Debtors' operations, assets, strategy and vendor relationships, including the AT&T Roam-in business;

(2) Analysis of the TSN Debtors' industry and key competitors, and trends in the environment in which the TSN Debtors operate;

(3) Analysis of the performance and market position of the TSN Debtors relative to their key competitors and similar companies; and

(4) Discussions regarding regulatory issues related to the TSN Debtors' assets.

Although Blackstone conducted a review and analysis of the TSN Debtors' business, operating assets and liabilities, and the Reorganized TSN Debtors' business plan, Blackstone assumed and relied on the accuracy and completeness of all financial and other information furnished to it by the TSN Debtors, as well as publicly available information.

B. VALUATION METHODOLOGIES

In performing its analysis, Blackstone separately valued the TSN Debtors' S-Band spectrum holding and Roam-In Plan. The valuation of the TSN Debtors' S-Band spectrum holding incorporated (i) historical spectrum auctions analysis, (ii) precedent transactions analysis, and (iii) discounted cash flow ("DCF") analysis. The valuation of the Roam-In Plan incorporated a DCF analysis of the expected cash flows of the plan.

The TSN Debtors' 20 MHz of S-Band spectrum is among the TSN Debtors' most critical assets. MSS / ATC next-generation mobile service companies are firms that develop integrated mobile satellite and terrestrial services networks. The valuation of companies that utilize MSS / ATC next-generation mobile service spectrum is often expressed as a multiple of megahertz-population ("MHz-POP"). MHz-POP takes a company's spectrum measured in MHz and multiplies it by the number of people living in the region covered by the spectrum. Total Enterprise Value ("TEV") / MHz-POP is the primary valuation methodology for mobile satellite service providers whose business is not yet considered mature, and such valuation has been used by research analysts that cover MSS / ATC next-generation mobile service companies. These companies generally do not have positive cash flow and require extensive capital investments prior to obtaining positive earnings before interest, tax, depreciation, and amortization ("EBITDA").

Assuming a United States population of approximately 309 million people and a Canada population of approximately 34 million people, the TSN Debtors currently have approximately 6.2 billion MHz-POP in the US and approximately 0.7 billion MHz-POP in Canada. The FCC and Industry Canada have also granted the TSN Debtors the right to use this spectrum terrestrially for ATC services as a result of meeting certain gating criteria, which are intended to ensure that ATC remains ancillary to the provision of mobile satellite service.

THE FOLLOWING SUMMARY DOES NOT PURPORT TO BE A COMPLETE DESCRIPTION OF THE ANALYSES AND FACTORS UNDERTAKEN TO SUPPORT BLACKSTONE'S CONCLUSIONS.

THE PREPARATION OF A VALUATION IS A COMPLEX PROCESS INVOLVING VARIOUS DETERMINATIONS AS TO THE MOST APPROPRIATE ANALYSES AND FACTORS TO CONSIDER, AS WELL AS THE APPLICATION OF THOSE ANALYSES AND FACTORS UNDER THE PARTICULAR CIRCUMSTANCES. AS A RESULT, THE PROCESS INVOLVED IN PREPARING A VALUATION IS NOT READILY SUMMARIZED.

1. S-Band Spectrum (MSS / ATC)

For purposes of valuing the TSN Debtors' S-Band spectrum, Blackstone has considered the value of a fully-enabled MSS / ATC spectrum license, compliant with all FCC gating criteria and covering a population of approximately 309 million people in the United States and approximately 34 million people in Canada.

Historical Spectrum Auctions Analysis

Blackstone reviewed data for FCC spectrum auctions from 1995 to 2008. In determining the most relevant auctions, the following factors were considered: (i) frequency range in close proximity to the TSN Debtors' S-Band spectrum, (ii) comparable-sized blocks of capacity, (iii) similar geographic coverage, and (iv) date of auctions held. Using these criteria, Blackstone determined the most relevant auction to be FCC Auction 66 (AWS-1). Auction 66 closed on September 18, 2006 and awarded 1,087 Advanced Wireless Services licenses of 5 MHz and 10 MHz paired blocks of capacity in the 1710-1755 MHz and 2110-2155 MHz frequency bands across the United States. These licenses covered geographic areas from small cellular market areas to large regional economic area groupings.

Blackstone derived an interim, gross valuation using the auction price / MHz-POP multiple based on the relevant terrestrial spectrum auction. However, because of differences in the characteristics of the spectrum, regulatory requirements, and the financial / competitive positions of the bidders involved in the auction, Blackstone made several adjustments to the gross valuation implied by the auction price / MHz-POP in order to calculate the TSN Debtors' implied S-Band spectrum valuation.

Precedent Transactions Analysis

Blackstone reviewed data for precedent M&A spectrum transactions from 2007 to present. In determining the most relevant transactions, the following factors were considered: (i) frequency range in close proximity to the TSN Debtors' S-Band spectrum, (ii) comparable-sized blocks of capacity, (iii) similar geographic coverage, and (iv) date of transaction. Blackstone then derived an interim, gross valuation using the transaction prices / MHz-POP multiples based on the relevant precedent transactions. However, due to differences in the characteristics of the spectrum, regulatory requirements, and the financial / competitive positions of the buyers involved in these transactions, Blackstone made several adjustments to the gross valuations in order to calculate the TSN Debtors' implied S-Band spectrum valuation.

In addition, Blackstone considered the bankruptcy reorganization precedent of DBSD North America, Inc. ("DBSD") (formerly ICO North America, Inc.). Blackstone made certain adjustments to reflect the differences between DBSD and TerreStar, including the TSN Debtors' compliance with FCC gating criteria (e.g., construction and maintenance of its spare satellite, TerreStar-2) and other investments in its network and technology infrastructure.

Discounted Cash Flow Analysis

To provide another reference for valuation of the S-Band spectrum, Blackstone performed a DCF analysis of the potential cash flows generated by ATC / terrestrial use of the spectrum, including the build-out of nationwide terrestrial network infrastructure.

A DCF analysis relates the value of an asset or business to the present value of expected future cash flows to be generated by that asset or business. A DCF analysis is a "forward looking" valuation methodology approach that discounts the expected future cash flows by a theoretical or observed discount rate determined by calculating the average cost of debt and equity for publicly traded companies that are similar to the TSN Debtors. This approach has two components: (i) the present value of the projected un-levered after-tax free cash flows for a determined period, and (ii) the present value of the terminal value of cash flows, which represents the TSN Debtors' value beyond the time horizon of the projected period. Similar to estimated cash flows, the estimated discount rate and expected capital structure of the Reorganized TSN Debtors are analyzed to derive a potential value. In performing the calculation, Blackstone made assumptions for the weighted average cost of capital, which is used to value future cash flows based upon the level of risk of the cash flows and the EBITDA terminal multiple, which is used to determine the future value of the enterprise after the end of the projected period.

This analysis determines the value of the S-Band spectrum, including capital expenditures (which could range in the billions of dollars) required for the build-out of terrestrial network infrastructure. In projecting the future cash flows from this business, Blackstone utilized industry sources and assumptions it believes to be reasonable. The resulting valuation range implied by the DCF analysis was incorporated into Blackstone's S-Band spectrum valuation. However, as a result of the TSN Debtors' lack of capital to fund such a build-out, Blackstone did not put significant weight on this analysis.

S-Band Spectrum Valuation Summary (US and Canada)

In conclusion, the valuation of the TSN Debtors' spectrum holdings incorporated (i) historical spectrum auctions analysis, (ii) precedent transactions analysis, and (iii) DCF analysis. Considering all of these valuation methodologies, Blackstone determined that the total value attributable to the TSN Debtors' S-Band spectrum ranges from \$1.02 billion to \$1.28 billion, or \$0.16 to \$0.20 / MHz-POP. The total value attributable to the TSN Debtors includes (i) \$1.00 billion to \$1.25 billion, or 100% of the value for the US S-Band spectrum (covering approximately 309 million POPs), and (ii) \$22 million to \$28 million, or 20% of the value for the Canada S-Band spectrum (covering approximately 34 million POPs). The TSN Debtors' spectrum holdings are fully enabled for MSS / ATC services and are compliant with FCC and Industry Canada regulatory requirements.

2. Roam-In Plan

In connection with estimating the post-Confirmation going-concern value of the Reorganized TSN Debtors, Blackstone reviewed and analyzed the TSN Debtors' business model. The TSN Debtors' business model is premised on acting as a wholesaler of satellite services and air time, as well as of the GENUS smartphone. The GENUS is marketed through the TSN Debtors' terrestrial provider partner, AT&T, as AT&T's Satellite Augmented Mobility Service ("SAM"). The GENUS smartphone is the first commercially-available dual-mode device that communicates over AT&T's traditional terrestrial wireless network, and enables subscribers to "roam-in" to TerreStar's satellite-based network in remote areas where AT&T's network is unavailable. SAM was launched for government and enterprise customers on September 21, 2010, with a roll-out for retail consumers expected later in 4Q 2010. Pursuant to the rate plan under the AT&T MSS agreement, AT&T pays TerreStar a (i) recurring monthly charge for each subscribing customer, (ii) fixed amount per minute for satellite voice calls (plus termination charges), and (iii) fixed amount for each megabyte of satellite data used and satellite text message sent or received.

DCF Analysis

To value the Roam-In Plan, Blackstone performed a DCF analysis of the expected cash flows generated through the AT&T Satellite Augmented Mobility Service. The Roam-In Plan assumes that the Reorganized TSN Debtors are able to grow their customer base to approximately 156,000 by 2015 with revenue of approximately $79 million in that year. The Roam-In Plan only assumes cash flows generated through the sale of GENUS handsets and related services, and does not assume that the TSN Debtors utilize next-generation chipsets to introduce alternative dual-mode wireless satellite / terrestrial devices. Based on the recent launch of commercial services under the Roam-In Plan, Blackstone believes these projections are appropriately valued using a discounted cash flow analysis.

Roam-In Plan Valuation

As a result, Blackstone determined the value of the Roam-In Plan to be approximately $50 million to $90 million.

C. SATELLITE VALUATION CONSIDERATIONS

In compliance with current regulatory requirements for its MSS / ATC license, the TSN Debtors maintain two satellites – TerreStar-1 in orbit (launched on July 1, 2009) and TerreStar-2 as a ground spare. The valuation of the TSN Debtors' spectrum holdings outlined in Section B (1) is inclusive of the value of both TerreStar-1 and TerreStar-2 satellites, reflecting a fully enabled S-band spectrum for MSS / ATC services.

On August 17, 2010, the Company engaged Duff & Phelps, LLC ("D&P") to perform an appraisal of the TerreStar-2 satellite. D&P determined the appraisal value of TerreStar-2 to range from $185 million to $210 million. Blackstone has not performed an independent appraisal of TerreStar-2.

Exhibit J to the Disclosure Statement

Summary Chart of Intercompany Transfers

TerreStar Intercompany Transfer Analysis

Amounts Transferred From TerreStar Corporation

Transferred To		Amount
TerreStar Networks	$	50,000,000
TerreStar Global		10,075,000
TerreStar Global		664,407
TerreStar National Services		11,022
TerreStar 1.4 Holdings LLC		5,038
TerreStar New York		5,000
0887729 B.C. Ltd.		945
Total	**$**	**60,761,412**

Amounts Transferred From TerreStar Holdings Inc.

Transferred To		Amount
Motient Ventures Holdings	$	32,000,000

Amounts Transferred From TerreStar Networks

Transferred To		Amount
TerreStar Networks Canada	$	6,300,000
TerreStar National Services		550,000
TerreStar Corporation		214,215
TerreStar Global		51,475
TerreStar Networks Canada		43,497
Total	**$**	**7,159,187**

Amounts Transferred From TerreStar Networks Canada

Transferred To		Amount
TerreStar Networks	$	91,585

Amounts Transferred From TerreStar Global

Transferred To		Amount
TerreStar Networks	$	7,500

Note:

Transfers represent principal amounts

Intercompany claims can be characterized in many ways, including: (i) *pari passu* with all third-party debt, (ii) subordinated to all third-party debt but senior to common equity; or (iii) equity. The Debtors reserve all of their rights with respect to the intercompany balances listed above, including, but not limited to, the appropriate characterization of such intercompany balances and the amounts of such balances, which are still being identified by the Debtors.

Exhibit K to the Disclosure Statement

Form Sales/Marketing Process Letter

STRICTLY CONFIDENTIAL

The Blackstone Group®

December [ ], 2010

[Name]
[Title]
[Company]
[Address]

Dear [Name]:

The Blackstone Group ("***Blackstone***") has been retained by TerreStar Networks, Inc. and its co-debtor subsidiaries (collectively, the "***TSN Debtors***")(1) as financial advisor in connection with the chapter 11 cases of the TSN Debtors currently pending in the Bankruptcy Court for the Southern District of New York (Case No. 10-15446 SHL) (the "***Bankruptcy Court***"). On November 5, 2010, the TSN Debtors filed with the Bankruptcy Court a proposed plan of reorganization and disclosure statement (as may be amended, modified or supplemented from time to time, the "***Plan***" and the "***Disclosure Statement,***" respectively), and on November 19, 2010, the TSN Debtors filed a motion with the Bankruptcy Court seeking, *inter alia*, approval of the TSN Debtors' entry into a Backstop Commitment Agreement with EchoStar ("***EchoStar***") pursuant to which, among other things, EchoStar would backstop a rights offering under the Plan.

Concurrently with the TSN Debtors' prosecution of their Plan and corresponding Disclosure Statement, and in the full exercise of their fiduciary duties, the TSN Debtors are also seeking alternative transactions (any such transaction, an "***Alternative Transaction***") for the sale of any or all of the TSN Debtors' assets (or any other transaction) which may result in greater value for the TSN Debtors' stakeholders and estates than the value which will result from the Plan. The assets which would be the subject of any such Alternative Transaction are those assets owned, held or used in the TSN Debtors' businesses, which include without limitation, the (a) license from the Federal Communications Commission to use 20 MHz of the 2.0 GHz band (the "***S-Band***") in the United States for mobile satellite service ("***MSS***") and ancillary terrestrial component ("***ATC***") service, (b) license from Industry Canada, the Canadian communications regulatory authority, to utilize the same S-Band spectrum in Canada for MSS, (c) rights in the TerreStar-1 and TerreStar-2 satellites, and (d) other assets which comprise the TSN Debtors' satellite communications network.

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(1) The TSN Debtors are TerreStar Networks Inc., TerreStar National Services Inc., 0887729 B.C. Ltd., TerreStar License Inc., TerreStar Networks Holdings (Canada) Inc., and TerreStar Networks (Canada) Inc.

<u>Process Timeline</u>[2]

Pursuant to the terms of the TSN Debtors' $75 million junior secured debtor-in-possession financing agreement with EchoStar (as approved by the Bankruptcy Court by final order on November 18, 2010, the "***DIP Facility***"), the TSN Debtors must comply with certain milestone requirements in order to avoid an event of default under the DIP Facility. These milestones are as follows:

(1) Bankruptcy Court approval of the Disclosure Statement no later than December 22, 2010

(2) Commencement of the hearing to confirm the Plan no later than February 14, 2011

(3) Confirmation of the Plan no later than February 28, 2011

To the extent the TSN Debtors do not comply with these milestone requirements (or there occurs any other event of default under the DIP Facility) and such event of default is not waived or cured as permitted by the terms thereof, the TSN Debtors will need to repay the amount then outstanding under the DIP Facility. As such, interested parties should be cognizant of these milestones when submitting their proposals for an Alternative Transaction and, to the extent the TSN Debtors require replacement debtor-in-possession financing, should be prepared to provide to the TSN Debtors such financing that meets the requirements of the Bankruptcy Code in conjunction with or prior to entering into a definitive agreement with respect to any Alternative Transaction.

Set forth below are other key dates related to the Alternative Transaction process. These dates are intended to provide guidance to interested parties when considering any proposal for an Alternative Transaction.

January

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

February

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28					

December 6, 2010 to January 7 , 2011	Management meetings and due diligence
January 19, 2011	Non-Binding Letter of Intent due
February 2, 2011	Binding Commitments due, with minimal conditions or contingencies (e.g., no financing or diligence "outs")
February 7, 2011	Delivery of full documentation regarding the potential Alternative Transaction
February 10, 2011	Replacement of current DIP Facility

(2) Please note that the marketing process which the TSN Debtors are engaged in as outlined in this letter as well as the *Notice of Marketing of Assets and Potential Sale Thereof* (Docket No. 210), filed with the Bankruptcy Court on November 29, 2010, is proceeding concurrently with the TSN Debtors' prosecution of the Plan, and as such, is not being run as a traditional "Section 363 Sale Process" with bidding procedures, timelines, and fees approved by the Bankruptcy Court.

Key Considerations

In order for the TSN Debtors to proceed with an Alternative Transaction (and thereby abandon the TSN Debtors' current Plan), such Alternative Transaction must be deemed to be of greater value to the TSN Debtors' stakeholders and estates than the value which will result from the Plan. In connection therewith, interested parties should note the following:

1. **Valuation:** The TSN Debtors' Plan is premised on an enterprise valuation of $1.215 billion.(3)
2. **Form of Consideration**: Interested parties should strongly contemplate making a cash offer; any non-cash or deferred or contingent consideration (e.g., buyer stock, notes, earnouts, escrows) may be viewed as inferior to an all-cash offer.
3. **DIP:** As set forth above, any potential Alternative Transaction will need to include the provision of a replacement debtor-in-possession financing(4) that will provide sufficient funding to support the TSN Debtors' business until the closing of an Alternative Transaction.
4. **Definitive Agreement:** To allow for adequate time to consider any proposal, we would advise interested parties to execute and deliver a definitive agreement related to the proposed Alternative Transaction by no later than January 24, 2011. Although not a requirement, the certainty provided by delivering an executed definitive agreement on that date would significantly enhance the attractiveness of any Alternative Transaction. A form of definitive agreement recommended by the TSN Debtors will be made available to you in the electronic data room.
5. **Bankruptcy Approval:** An Alternative Transaction is subject to the approval of the Bankruptcy Court.
6. **Regulatory Approval:** To the extent an Alternative Transaction results in a transfer of the TSN Debtor's FCC Licenses or Industry Canada Licenses, such Alternative Transaction shall be subject to regulatory approval.
7. **Fees:** Pursuant to the Equity Purchase and Commitment Agreement by and among EchoStar and TSN (Docket No. 188, as amended by Docket No. 276), an acquiror would be required to pay the backstop commitment fee equal to 3% of the backstop amount in cash. Based on the current contemplated backstop of $100 million, such fee would amount to $3 million (but could increase to $3.25 million if the backstop increases to $125 million if exercised by holders of the TSN Debtors' Senior Secured Notes pursuant to the amended Equity Purchase and Commitment Agreement).

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(3) The Plan contemplates total distributable value equal to total enterprise value minus any amounts outstanding under the DIP Facility and approximately $92 million of PMCA claims (as defined in the Plan). The TSN Debtors have approximately $1 billion of 15.0% Senior Secured Notes claims that must be treated in accordance with the requirements of the Bankruptcy Code.

(4) In light of the facts and circumstances of the chapter 11 cases, the TSN Debtors currently believe that a replacement debtor-in-possession financing will need to be provided on a junior basis to approximately $1 billion in secured debt obligations, as explained in the Plan and Disclosure Statement.

The TSN Debtors have made an electronic data room available to you and your representatives in connection with your review of diligence materials and preparation of a proposed bid. Furthermore, the TSN Debtors' management will be available to meet with interested parties as part of the due diligence process. Please coordinate with Blackstone to schedule a time for any diligence calls and/or meetings with the management team. In order to ensure an efficient and timely process, Blackstone envisions formal management meetings to be scheduled between December 6, 2010 and January 7, 2011. Please provide three dates and times within this period that are convenient for your team, and submit your diligence requests in writing in advance.

All inquiries for information about the TSN Debtors and any other communications should be made directly through Blackstone and Akin Gump Strauss Hauer & Feld LLP, the TSN Debtors' legal counsel. Neither the TSN Debtors nor any of their representatives or any other third party with whom the TSN Debtors has a business or other relationship (including, without limitation, any customer, supplier, stockholder or creditor of the TSN Debtors) shall be contacted with regard to the TSN Debtors or an Alternative Transaction, without the TSN Debtors' prior consent (or as otherwise may be agreed upon by the TSN Debtors and you).

The TSN Debtors reserve the right to (i) consider, in their sole discretion, all factors they deem critical in evaluating any offer you make, and (ii) for any or no reason and without notice or liability to any party, to modify, suspend, or terminate the process for an Alternative Transaction, negotiate with one or more parties, or engage in any other arrangement of any kind.

The existence, contents, and terms of this letter and all information provided or to be provided to you in connection with this opportunity are subject to the Confidentiality Agreement that you previously executed with the TSN Debtors.

On behalf of the TSN Debtors, we would like to thank you for your interest in this opportunity.

Sincerely,

Thomas Middleton
Senior Managing Director
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Exhibit L to the Disclosure Statement

Notice of Marketing of TSN Debtors' Assets

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
TERRESTAR NETWORKS INC., *et al.*,[1]	)	Case No. 10-15446 (SHL)
Debtors.	)	Jointly Administered

NOTICE OF MARKETING OF ASSETS AND POTENTIAL SALE THEREOF

PLEASE TAKE NOTICE that, on October 19, 2010, TerreStar New York Inc., TerreStar Networks Inc., Motient Communications Inc., Motient Holdings Inc., Motient License Inc., Motient Services Inc.; Motient Ventures Holding Inc., MVH Holdings Inc., TerreStar License Inc., TerreStar National Services Inc., TerreStar Networks Holdings (Canada) Inc., TerreStar Networks (Canada) Inc., and 0887729 B.C. Ltd (collectively, the "***Debtors***") filed for protection under chapter 11 of title 11 of the United States Code (the "***Bankruptcy Code***") in the United States Bankruptcy Court for the Southern District of New York (the "***Bankruptcy Court***"). Their chapter 11 cases are currently being jointly administered under Case No. 10-15446 (SHL).

PLEASE TAKE FURTHER NOTICE that, on November 5, 2010, TerreStar Networks Inc., TerreStar National Services Inc., 0887729 B.C. Ltd., TerreStar License Inc., TerreStar Networks Holdings (Canada) Inc., and TerreStar Networks (Canada) Inc. (collectively the "***TSN Debtors***"), filed the (i) *Joint Chapter 11 Plan of TerreStar Networks Inc., TerreStar National Services, Inc., 0887729 B.C. Ltd., TerreStar License Inc., TerreStar Networks Holdings (Canada) Inc., and TerreStar Networks (Canada) Inc.* (as may be amended, modified or supplemented from time to time, the "***Plan***") [Docket No. 82] and (ii) *Disclosure Statement for the Joint Chapter 11 Plan of TerreStar Networks Inc., TerreStar National Services, Inc., 0887729 B.C. Ltd., TerreStar License Inc., TerreStar Networks Holdings (Canada) Inc., and TerreStar Networks (Canada) Inc.* (as may be amended, modified or supplemented from time to time, the "***Disclosure Statement***") [Docket No. 83] with the Bankruptcy Court. A hearing to approve the adequacy of the Disclosure Statement has been scheduled for December 10, 2010 at 10:00 A.M. [Docket No. 85].

PLEASE TAKE FURTHER NOTICE that, as described in the Disclosure Statement, the Plan provides for a comprehensive restructuring of the TSN Debtors' pre-bankruptcy obligations. The Plan is premised on the consummation of certain restructuring transactions supported by the Debtors' largest secured creditor, EchoStar Corporation ("***EchoStar***"), which include, among

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal taxpayer-identification number, are: TerreStar New York Inc. (6394), TerreStar Networks Inc. (3931), Motient Communications Inc. (3833), Motient Holdings Inc. (6634), Motient License Inc. (2431), Motient Services Inc. (5106); Motient Ventures Holding Inc. (6191), MVH Holdings Inc. (9756), TerreStar License Inc. (6537), TerreStar National Services Inc. (6319), TerreStar Networks Holdings (Canada) Inc. (1337), TerreStar Networks (Canada) Inc. (8766), and 0887729 B.C. Ltd. (1345).

other things, (i) the equitization of the Debtors' approximately $1 billion of 15% Senior Secured Note obligations and (ii) a $125 million new money preferred stock rights offering (the "***Rights Offering***"), $100 million of which is backstopped by EchoStar. EchoStar's commitment to backstop the Rights Offering is documented in that certain Backstop Commitment Agreement (the "***Backstop Commitment Agreement***") filed with the *Motion of TSN Debtors for Entry of an Order (I) Approving the TSN Debtors' Entry into the Backstop Commitment Agreement and (II) Authorizing the TSN Debtors' Payment of Related Fees, Expenses and Indemnification to the Backstop Party* [Docket No. 188]. A hearing to approve the TSN Debtors' entry into the Backstop Commitment Agreement is scheduled for December 10, 2010 at 10:00 A.M. [Docket No. 188].

PLEASE TAKE FURTHER NOTICE that on November 18, 2010, the Bankruptcy Court entered the *Final Order Under Sections 105, 361, 362, 363(c), 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1) AND 364(e) and 507 of the Bankruptcy Code and Bankruptcy Rules 2002, 4001 and 9014: (I) Authorizing Debtors to Obtain Postpetition Financing; (II) Authorizing Debtors to Use Cash Collateral; and (III) Granting Adequate Protection to Prepetition Secured Parties* (the "***Final DIP Financing Order***") [Docket No. 181]. Pursuant to the Final DIP Financing Order, the TSN Debtors have access to up to $75 million in junior secured debtor-in-possession financing (the "***DIP Financing***"), subject to the terms and conditions thereunder (as may be amended, modified or supplemented from time to time, the "***DIP Agreement***"). As of November 29, 2010, the TSN Debtors have drawn approximately $18 million of the DIP Financing.

PLEASE TAKE FURTHER NOTICE that, as documented in the DIP Agreement, it is an "Event of Default" thereunder if the TSN Debtors do not comply with various "milestone" requirements including, without limitation, the following (i) receipt of Bankruptcy Court approval of the Disclosure Statement on or before December 14, 2010, (ii) commencement of a hearing to confirm an "Acceptable Plan" (as defined in the DIP Agreement, which includes the Plan) on or before January 31, 2011 and (iii) obtaining Bankruptcy Court approval of an Acceptable Plan or on before February 14, 2011 (the "***Milestone Requirements***").

PLEASE TAKE FURTHER NOTICE that concurrently with the TSN Debtors' prosecution of the Plan and Disclosure Statement, and in the full exercise of their fiduciary duties, the TSN Debtors are also seeking alternative transactions (any such transaction, an "***Alternative Transaction***") for the sale of any or all of the TSN Debtors' assets which may result in greater value for the TSN Debtors' stakeholders and estates than the value which will result from the Plan. The assets which would be the subject of any such Alternative Transaction are those assets owned, held or used in the TSN Debtors' businesses, which include without limitation, the (a) license from the Federal Communications Commission to use 20 MHz of the 2.0 GHz band (the "***S-Band***") in the United States for mobile satellite service (the "***MSS***") and ancillary terrestrial service, (b) license from Industry Canada, the Canadian communications regulatory authority, to utilize the MSS portion of the same S-Band spectrum in Canada (c) rights in the TerreStar-1 and TerreStar-2 satellites and (d) other assets which comprise the TSN Debtors' satellite communications network.

PLEASE TAKE FURTHER NOTICE that all parties interested in pursuing an Alternative Transaction should contact the Debtors' (i) financial advisor, Blackstone Advisory Partners, L.P., Steve Zelin (212-583-5886 or zelin@blackstone.com), CJ Brown (212-583-5582 or brownc@blackstone.com), Tom Middleton (212-583-5252 or middleton@blackstone.com), or Daniel Chang (212-583-5238 or daniel.chang@blackstone.com), as the primary point of contact, or (ii) counsel at the contact information below. To receive access to confidential and non-public information, interested parties will be required to execute a standard non-disclosure agreement. Interested parties may also contact the Official Committee of Unsecured Creditors' (i) proposed financial advisor, FTI Consulting, 3 Times Square, 9th Floor, New York, New York 10036, Attn: Andrew Scruton or (ii) proposed counsel, Otterbourg, Steindler, Houston & Rosen, P.C., 230 Park Avenue, New York, New York 10169, Attn: Scott L. Hazan and David M. Posner, for further information about the chapter 11 cases.

PLEASE TAKE FURTHER NOTICE, that it is not an Event of Default under the DIP Agreement for the TSN Debtors to be undertaking this sale process, discussing or negotiating the terms of a potential sale of any of the TSN Debtors' assets. However, to the extent the TSN Debtors do not comply with the Milestone Requirements (or there occurs any other Event of Default under the DIP Agreement) and such Event of Default is not waived or cured as permitted by the terms thereof, the TSN Debtors will need to repay the amount then outstanding under the DIP Agreement, and will likely need to borrow replacement debtor-in-possession financing.

PLEASE TAKE FURTHER NOTICE, that the Debtors will publish a copy of this notice (as may be modified for publication) in the national editions of *The Washington Post*, *USA Today* and *The Globe and Mail (national edition)* within a week after the filing of this notice, subject to applicable publication deadlines.

PLEASE TAKE FURTHER NOTICE that this notice shall be served upon the following: (a) the Office of the United States Trustee for the Southern District of New York; (b) Otterbourg, Steindler, Houston & Rosen, P.C., as proposed counsel to the statutory committee of unsecured creditors appointed in these chapter 11 cases; (c) Bank of New York Mellon as agent for the Debtors' postpetition debtor-in-possession financing; (d) Emmet, Marvin & Martin, LLP as counsel to the agent for the Debtors' postpetition debtor-in-possession financing; (e) U.S. Bank National Association as Collateral Agent for the Debtors' purchase money credit facility; (f) Weil, Gotshal & Manges LLP as counsel to Harbinger Capital Partners Master Fund I, Ltd. and Harbinger Capital Partners Special Situations Fund, L.P.; (g) Willkie Farr & Gallagher LLP as counsel to EchoStar Corporation in its capacity as Lender under the Debtors' purchase money credit facility and Initial Lender under the Debtors' postpetition debtor-in-possession financing; (h) U.S. Bank National Association as Indenture Trustee for the Debtors' 15% Senior Secured Notes and Kelley Drye & Warren LLP as counsel to the Indenture Trustee; (i) Deutsche Bank National Trust Company as Indenture Trustee for the Debtors' 6.5% Senior Exchangeable Notes and Foley & Lardner LLP as counsel to the Indenture Trustee; (j) Quinn Emanuel Urquhart & Sullivan, LLP as counsel to certain holders of the Debtors' 6.5% Senior Exchangeable Notes; (k) the Internal Revenue Service; (l) the Securities and Exchange Commission; (m) the United States Attorney for the Southern District of New York; (n) the Federal Communications Commission; (o) Kirkland & Ellis LLP, as counsel to certain holders of the Debtors' 15% Senior Secured Notes; and (p) parties in interest who have filed a notice of appearance in these cases pursuant to Bankruptcy Rule 2002.

PLEASE TAKE FURTHER NOTICE that neither the contents of this notice nor the sale process set forth above is currently the subject of a motion or any other proceeding before the Bankruptcy Court.

New York, New York
Dated: November 29, 2010

/s/ Ira S. Dizengoff

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Counsel to the Debtors and Debtors in Possession

Exhibit N to the Disclosure Statement

Equity Term Sheet

TerreStar Networks Inc.
Equity Term Sheet

Issuer: TerreStar Networks Inc. (the "Issuer"), as reorganized as a Delaware corporation pursuant to its plan of reorganization (the "Plan") confirmed in connection with its voluntary petition under Chapter 11 of the Bankruptcy Code.

Majority Holder: EchoStar Corporation ("EchoStar"). As long as it complies with its purchase obligations hereunder, EchoStar will hold a majority of the issued and outstanding Preferred Stock (as defined below) and Common Stock (as defined below) as of immediately following consummation of the Plan.

Other Designated Investors: Those persons (other than EchoStar and its affiliates) that agree by entering into an agreement, in a form reasonably acceptable to EchoStar and the Issuer, to support the Plan in respect of all of their direct or indirect holdings of equity or debt (*i.e.*, all securities) of the Issuer (the "Other Designated Investors" and, together with EchoStar, the "Backstop Parties").

Securities Acquired: Newly-issued shares of the Issuer's Series A Preferred Stock, par value $0.01 per share (the "Preferred Stock") and newly-issued shares of the Issuer's Common Stock, par value $0.01 per share (the "Common Stock").

Dividends: The Preferred Stock will participate in any dividends or distributions paid by the Issuer with respect to its Common Stock on an as-if-converted basis but will otherwise have no preference in respect of the declaration and payment of dividends.

Liquidation Preference: Upon any voluntary or involuntary liquidation, dissolution, or winding up of the Issuer, prior to any distributions to holders of any other capital stock of the Issuer, the proceeds therefrom will first be distributed to holders of Preferred Stock on a ratable basis until each such holder has received a liquidation preference per share equal to the greater of (i) 1.76 times the purchase price per share that is offered in the Rights Offering and (ii) the amount per share that such holder would be entitled to receive in such liquidation in respect of the Common Stock into which a share of

Preferred Stock is then convertible.

Any merger, recapitalization, reorganization or other transaction or series of related transactions which effects a “sale” of the Issuer will be treated in the same manner as a liquidation of the Issuer.

Conversion:

Each holder of shares of Preferred Stock will have the option, at any time and from time to time prior to the Issuer’s IPO, to convert all or any portion of such shares of Preferred Stock into an equal number of shares of Common Stock (subject to customary anti-dilution provisions to adjust for stock splits, stock dividends, stock combinations and similar events and to preserve the conversion rights of the Preferred Stock in the event of mergers, consolidations and similar events that change the securities into which the Preferred Stock is convertible).

All outstanding shares of Preferred Stock will automatically convert into shares of Common Stock immediately prior to (but subject to the consummation of) the Issuer’s IPO.

Board of Directors:

The Issuer’s Board of Directors (the “Board”) will at all times prior to termination of these provisions (as set forth below) consist of nine (9) members, (i) five (5) of whom will be designated by EchoStar; (ii) one (1) of whom will be the Issuer’s Chief Executive Officer and (iii) three (3) of whom will be Independent Directors.

The Independent Directors will initially be designated by the Other Designated Investors holding a majority of the voting power of the Preferred Stock and Common Stock held by all Other Designated Investors. Thereafter, or if there are no Other Designated Investors, (i) vacancies created by the resignation, removal (which may only be for cause), death or disability of an Independent Director will be filled by majority vote of the remaining Independent Directors, (ii) each holder (other than EchoStar and its affiliates) of 3% or more of the outstanding shares of Common Stock (determined on an as-if-converted basis) will have the right to nominate one or more candidates for election as an Independent Director at each stockholder meeting of the Issuer called to elect Independent Directors, and (iii) Independent Directors will be elected at each such meeting (including an initial meeting at or prior to the consummation of the Plan if there are no Other Designated Investors) by plurality vote among all the stockholders of the Issuer (other than EchoStar and its affiliates).

To qualify as an "Independent Director", an individual must not be an officer, director, or employee of, or otherwise have a material economic interest in or business relationship with, (a) the Issuer or any of its affiliates, (b) any person who holds more than 10% of the outstanding Common Stock (determined on an as-if-converted basis), or (c) any affiliate of any such person contemplated by (a) or (b) above.

The requirement to maintain at least three (3) Independent Directors will continue at all times (including following the Issuer's IPO) during which EchoStar and its affiliates own less than 75% of the outstanding Common Stock (determined on an as-if-converted basis).

The presence of a majority of Directors, together with, when applicable, a majority of the Directors appointed by EchoStar and a majority of the Independent Directors, will constitute a quorum at a duly convened meeting; provided, if no quorum exists at a meeting for which notice was duly given, then the meeting may be adjourned and notice of recommencement given not less than 24 hours prior to recommencement of such adjourned meeting and the presence thereat of a majority of Directors, represented either in person or by proxy, will constitute a quorum at such reconvened meeting. Any meeting of the Board may be called by any two (2) Directors, on 48 hours' prior written notice to the Board and all Board meetings will include the ability to participate by conference telephone.

At least one (1) Independent Director will be appointed by the Board to each key standing committee of the Board to the extent consistent with applicable law and, to the extent applicable, the rules of any exchange on which the Common Stock is then listed, and subject to the eligibility of such individual.

Except to the extent determined otherwise by the Board (including a majority of the Independent Directors), the board of directors or other equivalent

	governing body of each subsidiary of the Issuer will have the same composition as the Board.
Voting:	The Preferred Stock and the Common Stock will vote together on all matters as a single class on an as-if-converted basis, except to the extent that the law requires a separate class vote.
Negative Covenants:	The Issuer will not, and will not permit any of its subsidiaries to, take any of the following actions without the prior written consent of the holders of at least 75% of the outstanding Common Stock (voting together as a single class on an as-if-converted basis): (i) Any amendment or modification (including by way of a merger) to the Issuer's or any of its subsidiaries' certificate of incorporation or by-laws (or equivalent governing documents) that would alter the rights, preferences, or privileges of the Preferred Stock; and (ii) Any change to or violation of the requirement to maintain at least three (3) Independent Directors at any time during which such requirement is in effect (other than during the period pending election of a new Independent Director following the resignation or removal of an Independent Director). The covenant in (i) above will terminate upon consummation of the Issuer's IPO, and the covenant in (ii) above will terminate when the requirement that the Issuer maintain at least three (3) Independent Directors terminates. The Issuer will not, and will not permit any of its subsidiaries to, take any of the following actions without the approval of a majority of the Board (which shall include at least one (1) Independent Director), enter into, or modify or amend, any material contract, arrangement, or transaction with EchoStar or any of its affiliates, with a value exceeding US$25 million, other than (x) contracts, transactions, or arrangements among the Issuer and its wholly-owned subsidiaries, (y) contracts that are entered into in the ordinary course of business or otherwise are on terms and conditions generally offered by the Issuer or EchoStar to other third parties or (z) contracts that are fair from a financial point of view to the Issuer as

determined by the Board, after consultation with a nationally recognized independent financial advisor.

The foregoing covenant will terminate when the requirement that the Issuer maintain at least three (3) Independent Directors terminates.

Registration Rights:

At any time and from time to time, after the date that is six months after the completion of the Issuer's IPO, investors that hold at least 10% of the Registrable Shares will have the right to require the Issuer to register an offering (whether or not underwritten) of all or any portion consisting of at least $50,000,000 in value of Registrable Shares. In addition, after the second anniversary of the consummation of the Plan, investors that hold at least 10% of all Registrable Shares will have the right to demand a Qualified IPO (as defined below). In connection with any such demand registration (whether or not underwritten), the Issuer will use its reasonable best efforts to list its shares on the NYSE or Nasdaq Global Market (to be selected by the Issuer's Board in its sole discretion).

A "<u>Qualified IPO</u>" will be an initial public offering in which the investors making such demand offer for sale an amount of shares having a value of at least $75 million.

In addition to the above rights, at any time after the date on which the Issuer is eligible to register securities on Form S-3, the investors will have the right to require the Issuer to register an offering (whether or not underwritten) of all or any portion of their Registrable Shares, subject to such offering consisting of at least $25,000,000 in value of Registrable Shares. Any such registration may take the form of a shelf registration. The Issuer will use its reasonable best efforts to qualify to register securities on Form S-3 as soon as allowed by applicable law.

Each holder of Registrable Shares will have the right to participate in any registration by the Issuer of any Registrable Shares (whether effected pursuant to a demand registration described above or otherwise) on a pro rata basis. Cutbacks, to the extent required, will be applied to holders of Registrable Shares only on a pro rata basis.

"<u>Registrable Shares</u>" means (i) shares of Common

Stock received or receivable in connection with the conversion of any Preferred Stock, and (ii) any other shares of Common Stock purchased or received by a holder thereof pursuant to the Plan.

Tag-Along Rights:	Prior to the Issuer's IPO, in the event of any sale or transfer of any Preferred Stock or Common Stock by EchoStar or any of its affiliates (other than to EchoStar or one of such affiliates, but including to the Issuer or any of its subsidiaries), each Other Designated Investor will have the right to participate in such sale or transfer on a pro rata basis with respect to the Common Stock and Preferred Stock, on an as-if-converted basis, held by it. The aforementioned rights shall not apply to the Common Stock except to the extent that the proposed purchaser elects to purchase Common Stock.
Drag-Along Obligations	In the event that, prior to the Issuer's IPO, a "sale" of the Issuer is approved by the Board (including the approval of a majority of the Independent Directors), all stockholders of the Issuer will be required to participate in such transaction on the same terms as are applicable to holders of Preferred Stock and Common Stock generally, subject in all cases to customary protective provisions.
Selling Restrictions:	Until the completion of the Issuer's IPO, an investor may only transfer its Preferred Stock and Common Stock to (a) a single purchaser that is in such transaction acquiring the entirety of the transferor's Preferred Stock and Common Stock, (b) a single purchaser who is in such transaction acquiring at least two percent (2.0%) of the total Preferred Stock and Common Stock of the Issuer or (c) an investor who continues to hold shares of Preferred Stock and/or Common Stock immediately prior to such purchase. In connection with any such transfer, the Issuer shall have the right to require an opinion of counsel in the context of any transfer that the transfer will not violate the Securities Act of 1933 or applicable state "blue sky" laws. An investor may not transfer Preferred Stock or Common Stock if, as a result of such transfer, the Issuer would be required to register a class of securities under Section 12(g) of the Securities Exchange Act of 1934, as amended (the "<u>Exchange Act</u>"), or any successor provision, or

otherwise become subject to the reporting obligations of the Exchange Act or any successor statute.

The shares of Preferred Stock and Common Stock will not otherwise be subject to any other restrictions on transfer, except as may be imposed under applicable securities laws. Any person (other than EchoStar and its affiliates) that acquires shares of Preferred Stock or Common Stock first held by an Other Designated Investor will succeed to the rights and obligations (including the restrictions set forth herein) of such Other Designated Investor with respect to such shares.

Preemptive Rights:

Prior to the Issuer's IPO, each holder of Preferred Stock or Common Stock will have the right to purchase their pro rata share of any future issuances of capital stock or equity securities (or warrants, options, convertible or exchangeable securities, or other rights to acquire capital stock or equity securities) by the Issuer that EchoStar or any of its affiliates participates in, on the same terms as are offered to EchoStar or its affiliates, in each case pro rata to such holder's proportionate equity interest in the Issuer (on an as-if-converted basis), that would otherwise be diluted as a result of the participation of EchoStar or its affiliates, in each case subject to customary exceptions. The Preemptive Rights of all such holders may be waived by a majority of the Board (including a majority of the Independent Directors); provided, that any such waiver must apply to all holders of Preemptive Rights.

Access Rights:

Until the Issuer's IPO, EchoStar and each Other Designated Investor that owns more than 10% of the Issuer's Common Stock (on an as-if-converted basis) will have the right, at reasonable times and upon reasonable advance notice, to inspect the facilities, books and records, employees, and outside auditors of the Issuer and its subsidiaries, in each case subject to customary confidentiality undertakings.

Information Rights:

The Issuer will provide to each Other Designated Investor, until the Issuer's IPO:

(i) within 45 days following the completion of the first three fiscal quarters in a fiscal year, unaudited, consolidated quarterly financial statements of the Issuer and its subsidiaries, prepared in accordance with GAAP;

(ii) within 90 days following the completion of each fiscal year, audited, consolidated annual financial statements of the Issuer and its subsidiaries, prepared in accordance with GAAP; and

(iii) reasonably promptly following the occurrence thereof, written notice of any events that would require the filing of a Form 8-K by the Company if the Company were required to file SEC reports pursuant to the Exchange Act.

Until the Issuer's IPO, the Issuer will hold conference calls, in each case no later than 10 days following the delivery of its quarterly and annual financial statements, which will provide each Other Designated Investor the opportunity to discuss such financial statements and other matters with the Issuer's senior management.

Without limiting the generality of the foregoing, from and after consummation of the Plan and until the Issuer's IPO, the Issuer will use its reasonable best efforts to make Rule 144A(d)(4) information available to the Other Designated Investors.

Exhibit O to the Disclosure Statement

Joinder

Exhibit A

Joinder

Joinder to the Equity Purchase and Commitment Agreement, dated as of December [__], 2010, by and between TerreStar Networks Inc. and EchoStar Corporation (the "Agreement"). Capitalized terms used in this Joinder but not otherwise defined herein have the meanings ascribed thereto in the Agreement.

1. The undersigned agrees to be bound by all of the terms and conditions of the Agreement as if the undersigned were an original signatory to the Agreement on December [__], 2010 and entitled to all of the rights and subject to all obligations thereunder, in each case as if it were an Other Backstop Party and a Backstop Party, effective as of the date hereof.

2. All notices to be provided to the undersigned as a Holder under the Agreement shall be sent to the undersigned at the address and facsimile number listed on the signature page hereto.

3. This Joinder shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State.

4. This Joinder shall inure to the benefit of and be binding upon the successors and permitted assigns of the undersigned.

[Remainder of Page is Intentionally Left Blank]

IN WITNESS WHEREOF, the undersigned has executed this Joinder as of the date first above written.

HOLDER: ______________________________

By: ______________________________
Name:
Title:

ADDRESS & FACSIMILE NUMBER:

____

____

____

____

____

Exhibit P to the Disclosure Statement

Allocations Analysis

Project Blue Sky
Illustrative Recovery Analysis - TerreStar Networks, Inc.
($ in millions)

Assets	Plan Value	Liabilities	Claim Amount	Recovery*
Roam-in, 90% of TS-1, Canada License	$141.0	Secured Claims		
TerreStar-2 Satellite	200.0	PMCA Claims	$91.5	$91.5
Interests in BC 0887729 Ltd.	38.0	15.0% Secured Notes	1,016.7 (1)	181.7 (2)
		Total Secured Claims	1,108.2	273.2
		DIP Claims	75.3	74.3
		Unsecured Claims		
		15.0% Secured Notes Deficiency Claim	762.2 (3)	-
		6.5% Exchangeable Notes	178.7	10.4
		Other Unsecured Claims	365.0	21.1
		Total Unsecured Claims	1,305.9	31.5
		Equity	-	-
Total	**$379.0**	**Total**	**$2,489.4**	**$379.0**

Note: This analysis does not include any disputed intercompany transfers.
* Recoveries noted exclude the impact of dilution from the backstop commitment fee and overallotment option.

(1) For purposes of calculating the distributions under the Plan, a claim of $1,016.7 million (inclusive of principal and interest) was agreed to as an overall compromise and settlement as part of the Plan, as set forth in the introductory paragraphs of Article VIII of the Disclosure Statement.

(2) Assumes collateral consists of $141.0 million of value from Roam-in, 90% of TS-1, and Canada License as well as 65% of the $38.0 million of the value of TSN's interests in BC 0887729 Ltd., which are pledged to the 15.0% Secured Notes, and 15% of the assumed value of TS-2 (midpoint of the Duff & Phelps appraisal).

(3) Calculated using a claim at filing of $943.9 million.

Project Blue Sky
Illustrative Recovery Analysis - BC 0887729 Ltd.
($ in millions)

Assets	Plan Value	Liabilities	Claim Amount	Recovery*
Allan Park Gateway	$39.0 [1]	Secured Claims	-	-
		DIP Claims	75.3	1.0
		Unsecured Claims	-	-
		Equity	-	38.0
Total	**$39.0**	**Total**	**$75.3**	**$39.0**

* Recoveries noted exclude the impact of dilution from the backstop commitment fee and overallotment option.

[1] Represents 50% of the book value of the Allan Park Gateway assets. The Debtors did not perform an independent valuation of these assets.

Project Blue Sky
Illustrative Recovery Analysis - TerreStar License, Inc.
($ in millions)

Assets	Plan Value	Liabilities	Claim Amount	Recovery*
S-Band License	$825.0	Secured Claims		
		15.0% Secured Notes	$1,016.7 [1]	$825.0
		Total Secured Claims	1,016.7	825.0
		DIP Claims	75.3	-
		Unsecured Claims		
		6.5% Exchangeable Notes	178.7	-
		15.0% Secured Notes Deficiency Claim	118.9 [2]	-
		Equity	-	-
Total	**$825.0**	**Total**	**$1,389.6**	**$825.0**

* Recoveries noted exclude the impact of dilution from the backstop commitment fee and overallotment option.

(1) For purposes of calculating the distributions under the Plan, a claim of $1,016.7 million (inclusive of principal and interest) was agreed to as an overall compromise and settlement as part of the Plan, as set forth in the introductory paragraphs of Article VIII of the Disclosure Statement.

(2) Calculated using a claim at filing of $943.9 million.

Project Blue Sky
Illustrative Recovery Analysis - TerreStar National Services, Inc.
($ in millions)

Assets	Plan Value
None	$0.0
Total	**$0.0**

Liabilities	Claim Amount	Recovery*
Secured Claims		
15.0% Secured Notes	$1,016.7 [1]	$0.0
Total Secured Claims	1,016.7	-
DIP Claims	75.3	-
Unsecured Claims		
6.5% Exchangeable Notes	178.7	-
15.0% Secured Notes Deficiency Claim	943.9 [2]	-
Total Unsecured Claims	1,122.6	-
Equity	-	-
Total	**$2,214.6**	**$0.0**

* Recoveries noted exclude the impact of dilution from the backstop commitment fee and overallotment option.

(1) For purposes of calculating the distributions under the Plan, a claim of $1,016.7 million (inclusive of principal and interest) was agreed to as an overall compromise and settlement as part of the Plan, as set forth in the introductory paragraphs of Article VIII of the Disclosure Statement.

(2) Calculated using a claim at filing of $943.9 million.

Project Blue Sky
Illustrative Recovery Analysis - TerreStar Networks (Canada), Inc.
($ in millions)

Assets	Plan Value	Liabilities	Claim Amount	Recovery*
10% of TerreStar-1	$10.0	Secured Claims		
		15.0% Secured Notes	$1,016.7 [1]	$10.0
		Total Secured Claims	1,016.7	10.0
		DIP Claims	75.3	-
		Unsecured Claims		
		15.0% Secured Notes Deficiency Claim	933.9 [2]	-
		Equity	-	-
Total	**$10.0**	**Total**	**$2,025.9**	**$10.0**

* Recoveries noted exclude the impact of dilution from the backstop commitment fee and overallotment option.

[1] For purposes of calculating the distributions under the Plan, a claim of $1,016.7 million (inclusive of principal and interest) was agreed to as an overall compromise and settlement as part of the Plan, as set forth in the introductory paragraphs of Article VIII of the Disclosure Statement.

[2] Calculated using a claim at filing of $943.9 million.

Project Blue Sky
Illustrative Recovery Analysis - TerreStar Networks Holdings (Canada), Inc.
($ in millions)

Assets	Plan Value	Liabilities	Claim Amount	Recovery*
None	$0.0	Secured Claims		
		15.0% Secured Notes	$1,016.7 (1)	$0.0
		Total Secured Claims	1,016.7	0.0
		DIP Claims	75.3	-
		Unsecured Claims		
		15.0% Secured Notes Deficiency Claim	943.9 (2)	-
		Equity	-	-
Total	**$0.0**	**Total**	**$3,052.6**	**$0.0**

* Recoveries noted exclude the impact of dilution from the backstop commitment fee and overallotment option.

(1) For purposes of calculating the distributions under the Plan, a claim of $1,016.7 million (inclusive of principal and interest) was agreed to as an overall compromise and settlement as part of the Plan, as set forth in the introductory paragraphs of Article VIII of the Disclosure Statement.

(2) Calculated using a claim at filing of $943.9 million.