In re TerreStar Networks Inc., et. al.
Chapter 11 Case No. 10-15466 (SHL) (Jointly Administered)

Disclosure Statement Revisions in Response to Objections to the Disclosure Statement[1][2]

Disclosure Statement Objections

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1.	The Plan embodies an overall compromise and settlement of claims under Bankruptcy Rule 9019, which was heavily negotiated between EchoStar and the TSN Debtors before the Petition Date. As set forth in Exhibit F to this Disclosure Statement, the TSN Debtors' Financial Advisor arrived at an overall enterprise valuation between $1.07 billion and $1.37 billion. As part of the overall compromise and settlement upon which the Plan is based, however, the TSN Debtors used an enterprise value of $1.265 billion (i.e. an increase of $50 million from $1.215 billion, the midpoint of the TSN Debtors' valuation range) as the starting point when determining distributable value under the Plan. In arriving at the distributions contained in the Plan, the TSN Debtors and their advisors considered the following, some of which are the subject of dispute among the various parties in the case: • Except as noted in the fourth bullet below (and as may otherwise be prohibited by law), the Senior Secured Noteholders have a first priority lien in all of the TSN Debtors' (other than 0887729 B.C. Ltd.) assets. • The holders of PMCA claims have a first priority lien in the TSN Debtors' rights in the TerreStar-2 satellite. • The holders of DIP Claims hold a first priority lien in all of the TSN Debtors' assets (other than avoidance actions), subject only to the liens held by holders of the PMCA Claims and holders of the Senior Secured Notes Claims. • The Senior Secured Noteholders assert that they have a security interest in TSN's rights in the TerreStar-2 satellite. This is a litigable issue. The TSN Debtors believe that the impact of any such litigation is immaterial due to the fact, among other things, that (a) the holders of the

[1] Capitalized terms used but not otherwise defined in this Rider Chart have the meaning provided to such terms in *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.*

[2] To the extent that any inconsistencies exist between this Rider Chart and the Disclosure Statement, the Disclosure Statement shall govern.

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	Senior Secured Notes Claims are entitled to assert their full deficiency claim at TSN and (b) the holders of DIP Claims are not subject to any marshalling of their claims.[3] • Any deficiency claim held by holders of Senior Secured Notes Claims shall not be an Other Unsecured Claim or a Senior Exchangeable Notes Claim and shall not share in the distribution to creditors in Classes 5 or 6. • The Senior Secured Noteholders have asserted that they are entitled to a "makewhole premium" under the Senior Secured Notes Indenture. • The holders of the TSN Debtors' Senior Exchangeable Notes Claims have a guarantee from TerreStar License Inc. and TerreStar National Services Inc. The guarantee that the Senior Exchangeable Noteholders have at these entities gives such claimants structural seniority over creditors who are solely claimants at TSN. • The holders of the Senior Secured Notes have a first priority lien on all of the assets held by TerreStar License Inc. and TerreStar National Services Inc. (except as may be prohibited by law). Due to, among other things, the size of the secured claims held by the holders of the Senior Secured Notes, and as part of the overall compromise and settlement reached between EchoStar and the TSN Debtors as to the value to be ascribed to the guarantee claims held by holders of TSN Debtors' Senior Exchangeable Notes, the holders of the Senior Exchangeable Notes will receive no less than 1% of the New Common Stock. • The TSN Debtors have assumed that the aggregate amount of Allowed Other Unsecured Claims at the TSN Debtors will be approximately $365 million. Holders of the Senior Exchangeable Notes Claims will not be harmed by any increase in such Allowed Other Unsecured Claims. • The holders of Allowed Other Unsecured Claims at the TSN Debtors have claims that are different in nature (and obligor) than the holders of the Senior Exchangeable Notes Claims.
2.	To maximize the recoveries of creditors, the TSN Debtors propose limited consolidation solely to facilitate implementation of the Plan. Each of the TSN Debtors (other than 0887729 B.C. Ltd.)[4] is obligated as an issuer or guarantor of the Senior Secured Notes and accordingly, except as set forth in the introductory paragraphs of this Article VIII, distributions at those entities must first satisfy the claims held by such creditors (and holders of

[3] Moreover, absent the ability to obtain a meaningfully higher recovery, engaging in litigation will merely erode the value of the TSN Debtors' to the detriment of all stakeholders, including unsecured creditors.

[4] To the best of the TSN Debtors' knowledge, 0887729 B.C. Ltd. has no non-affiliate general unsecured creditors.

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	the PMCA and DIP Facility Claims) before any recovery can be provided to unsecured creditors. As a result, the TSN Debtors are not aware of any creditor materially affected by the consolidations contemplated under the Plan.[5] The TSN Debtors believe that treating the TSN Debtors as consolidated for plan distribution purposes and pooling the assets and liabilities of the TSN Debtors is in the best interests of creditors because it will simplify the administration of the chapter 11 cases and implementation of the Plan. Additionally, consolidation for Plan purposes permits the TSN Debtors to implement the settlement transactions contemplated by the Plan (as further described herein), which avoid costly litigation and other expenses related to separating out assets and liabilities and preserves such assets for creditors. In light of the above, limited consolidation for plan distribution purposes does not improperly enhance or impair the recoveries of any creditors, and is appropriate and warranted under the circumstances. Certain parties have raised an issue with regard to whether the TSN Debtors can justify "limited substantive consolidation". The TSN Debtors believe that they will be able to do so at the confirmation hearing. Additionally, as noted above, "limited consolidation" will benefit the estates by, among other things, allowing for implementation of the Bankruptcy Rule 9019 settlement upon which the Plan is based, without improperly enhancing or impairing the recoveries of any of the TSN Debtors' creditors. The Creditors' Committee, Harbinger, Solus, and Sprint have all asserted in their objections to the adequacy of the Disclosure Statement that in their view, the TSN Debtors' Plan of Reorganization cannot be confirmed due to the fact that the Plan contemplates limited substantive consolidation for voting and distribution purposes. The assertions raised by Sprint are based in part on the fact that they believe they have claims at each one of the TSN Debtors, stemming from certain prepetition litigation (see Article IV.D, above). The assertions raised by the rest of the objectors are based upon their belief that the TSN Debtors do not meet the standard for "deemed substantive consolidation". The TSN Debtors disagree with both of these assertions, as (1) the TSN Debtors do not believe that Sprint is entitled to a claim against each of the TSN Debtors, other than TSN and (2) the TSN Debtors do not believe that any creditor is materially harmed by the TSN Debtors' limited substantive consolidation for Plan voting and distribution purposes.
3.	Article IX of the Plan provides for releases of certain claims against non-Debtors in consideration of services provided to the estates and investments made by the released parties. The non-Debtor released parties are: (a) the current and former directors and officers of the TSN Debtors who were directors or officers of the TSN Debtors as of or after the Petition Date; (b) the Indenture Trustees; (c) the Purchase Money Agent; (d) the DIP Lenders; (e) the Backstop Party; (f) the Plan Sponsor; (g) the Purchase Money Lenders; (h) the holders of the Notes, to the extent such parties vote to accept the Plan; (i) subject to certain limitations set forth herein and in the Plan, the holders of all Other Unsecured Claims to the extent such parties vote to accept the Plan; (j) the DIP Agent; (k) the Creditors' Committee and the current and former members thereof; (l) Deloitte & Touche Inc., in its

[5] On November 8, 2010, the Debtors filed their Schedules and Statements. Attached hereto as Exhibit I is a chart summarizing the TSN Debtors' assets and liabilities based on their respective Schedules. Also attached hereto as Exhibit J is a chart summarizing the intercompany transfers among the TSN Debtors and their affiliates. 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 in the Exhibit, 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.

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	capacity as information officer in the Canadian Proceedings; and (m) with respect to each of the foregoing Entities in clauses (a) through (l), such Entities' subsidiaries, affiliates, members, officers, directors, agents, financial advisors, accountants, investment bankers, consultants, attorneys, employees, partners, and representatives, in each case, only in their capacity as such. The releases are given by (i) the TSN Debtors; (ii) the Reorganized Debtors; and (iii) to the greatest extent permitted under applicable law, all holders of Claims or Interests against the TSN Debtors. The released claims are any and all claims or causes of action, including without limitation those in connection with, related to, or arising out of the Plan or the TSN Debtors' chapter 11 cases. The United States Court of Appeals for the Second Circuit has determined that releases of non-debtors may be approved as part of a chapter 11 plan of reorganization if there are "unusual circumstances" that render the release terms important to the success of the plan. *Deutsche Bank AG, London Branch v. Metromedia Fiber Network, Inc. (In re Metromedia Fiber Network, Inc.)*, 416 F.3d 136, 143 (2d Cir. 2005). Courts have approved releases of non-debtors when: (i) the estate received substantial consideration; (ii) the enjoined claims were channeled to a settlement fund rather than extinguished; (iii) the enjoined claims would indirectly impact the reorganization by way of indemnity or contribution; (iv) the plan otherwise provided for the full payment of the enjoined claims; and (v) the affected creditors consent to the release. *Id.* at 142. Before a determination can be made as to whether releases are appropriate as warranted by "unusual circumstances," the United States Court of Appeals for the Second Circuit has concluded that there is a threshold jurisdictional inquiry as to whether the Bankruptcy Court has subject matter jurisdiction to grant such releases. *In re Johns-Manville Corp.*, 517 F.3d 52, 65 (2d Cir. 2008); *see also In re Dreier LLP*, 429 B.R. 112, 132 (Bankr. S.D.N.Y. 2010) (finding no jurisdiction to approve releases of claims that did not affect the estate); *In re Metcalf & Mansfield Alternative Investments*, 421 B.R. 685, 695 (Bankr. S.D.N.Y. 2010) (discussing and approving releases in a case under chapter 15 of the Bankruptcy Code). Courts have jurisdiction over a third party cause of action or claim if it will "directly and adversely impact the reorganization." *Dreier*, 429 B.R. at 132. Conversely, the court may lack jurisdiction if the released claim is one that would "not affect the property of the estate or the administration of the estate." *Id*., 429 B.R. at 133. Here, all of the released claims would "directly and adversely impact the reorganization" of the TSN Debtors' estates. Each of the entities and individuals granted a release under the Plan would have a potential claim for indemnification and contribution against the TSN Debtors for any liabilities incurred on such claims, as well as any expenses incurred to defend against such claims. If the TSN Debtors had to satisfy indemnification and contribution claims by the Released Parties, such claims would reduce the recoveries to the unsecured creditors of the TSN Debtors. The TSN Debtors' estates therefore would be directly and adversely impacted if the released claims were pursued and the Bankruptcy Court has jurisdiction to approve them as part of the Plan. The TSN Debtors believe that the releases set forth in the Plan are appropriate because, among other things, each of the Released Parties afforded value to the TSN Debtors and aided in the reorganization process. The TSN Debtors believe that the Released Parties played an integral role in the formulation of the Plan and have expended significant time and resources analyzing and negotiating the issues presented by the TSN Debtors' prepetition capital structure. Certain parties in interest, including the Creditors' Committee and Harbinger, have asserted that the releases contained in the Plan are overbroad and do not comport with applicable case law. The TSN Debtors disagree and will support the releases at the Confirmation Hearing.
4.	As discussed in detail above, before the commencement of these chapter 11 cases, and between July 2010 and August 2010, the TSN Debtors were subject to various exclusivity agreements with LightSquared/Harbinger that restricted their ability to market their assets to prospective purchasers. When this exclusivity period ended in August 2010, the Debtors (as part of their search for postpetition financing) also had numerous

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	discussions with their stakeholders regarding a consensual restructuring through a chapter 11 plan and/or a sale of the TSN Debtors' assets. Based on those discussions, the TSN Debtors determined that their best available restructuring option was to enter into the RSA and pursue approval of the DIP Facility from EchoStar. Before signing the RSA and beginning in early October, and until the Petition Date, the TSN Debtors, together with their advisors, actively marketed the TSN Debtors' assets in an effort to maximize value for all of their stakeholders. This marketing process included calling various parties that the TSN Debtors and their advisors believed would be potential purchasers and discussing the sale with them as well as explaining to them the TSN Debtors' proposed chapter 11 process with EchoStar. From the Petition Date through November 12, 2010, the date on which the Debtors withdrew the motion to assume the RSA, the TSN Debtors entertained and actively responded to calls received by the TSN Debtors and their advisors from any prospective purchasers. Once the motion to assume the RSA was withdrawn, the TSN Debtors resumed their comprehensive marketing process. Specifically, the TSN Debtors and their advisors have contacted or are in the process of contacting numerous parties to gauge their potential interest in purchasing the TSN Debtors' assets (see below). Additionally, the TSN Debtors have filed on the docket [Docket No. 210] a notice of marketing of their assets and have published that notice in the *Washington Post*, *USA Today* and *The Globe and Mail (national edition)*. As of December 6, 2010, the TSN Debtors or their advisors, (1) have contacted 81 bidders; (2) have been contacted by two independent interested parties; (3) have sent form non-disclosure agreements ("***NDA's***") to more than 75 parties; and (4) have entered into two additional NDA's. At this time, the TSN Debtors have not received an offer to purchase all or any portion of their assets. TSN Debtors understand that Solus, as nominee of certain holders of the Senior Exchangeable Notes, has asserted that EchoStar's status may impede the TSN Debtors' sales efforts. The TSN Debtors vigorously refute this assertion. EchoStar has not sought and has had no role in the TSN Debtors sale process to date. Moreover, a number of parties have raised in their objections to the Disclosure Statement their dissatisfaction with regard to the TSN Debtors' on-going sales and marketing efforts. The TSN Debtors believe that the sales and marketing process are being conducted in the most value-maximizing manner possible in light of the circumstances of the chapter 11 cases, and vigorously dispute any assertions to the contrary.
5.	As noted above, the TSN Debtors received numerous objections to the RSA, including objections from: (i) Marathon; (ii) Harbinger; (iii) Solus; (iv) Sprint; (v) the Creditors' Committee and (vi) the Ad Hoc Group (collectively, the "***RSA Objectors***"). In addition to the arguments referenced above, many of the RSA Objectors argued, among other things, that entry into the RSA was not in the best interests of the Debtors' estates because the RSA constituted a sub rosa plan, as it established Milestones which would constrain the TSN Debtors' options to consider alternative restructuring proposals that could maximize value for the benefit of all creditors. Certain of the RSA Objectors further argued that the "fiduciary out" contained in the RSA was ineffective because the RSA was tied to the DIP Facility such that the TSN Debtors could not pursue an alternative plan without losing their liquidity under the DIP Facility. Lastly, among other things, certain RSA Objectors argued that section 365 of the Bankruptcy Code provided no basis for assumption of the RSA and that the assumption of the RSA was unnecessary.
6.	Section 1124 of the Bankruptcy Code provides that a claim can be reinstated if a plan cures certain prepetition and postpetition defaults, including compensation for actual pecuniary loss, and reinstates the maturity and interest of the debt without otherwise altering the claimant's legal, equitable, or contractual rights. The Plan provides for the reinstatement of the PMCA. The TSN Debtors believe that the Plan meets the requirements necessary to reinstate the PMCA, including without limitation, the ability of the TSN Debtors to cure any defaults required to be cured under the PMCA. Nevertheless, parties in interest may seek to litigate this issue and there can be no assurance that the Bankruptcy Court will agree with the TSN Debtors that the Plan satisfies the requirements of section 1124 with respect to the PMCA. Some of the issues that may be raised with respect to

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	the TSN Debtors' ability to reinstate the PMCA include, among other things, whether certain covenants in the PMCA have been breached in a manner that make such breach incurable as of the Effective Date and accordingly, do not permit the PMCA to be reinstated.
7.	Specifically, as Harbinger noted in its objection to the Debtors' motion to approve the DIP Facility, the Senior Secured Notes Trustee/Agent filed a UCC-3 financing statement on March 24, 2008, that, according to Harbinger, (1) released the TSN Debtors' interests in TerreStar-2 and its related assets as collateral under the Senior Secured Notes Indenture and (2) did not contain any conditional release or springing lien that would limit the purpose of such filing.
8.	The Ad Hoc Group asserts that there is an argument that EchoStar and/or Harbinger may be considered "insiders" pursuant to section 101(31)(E) of the Bankruptcy Code . The Ad Hoc Group believes that the votes of EchoStar and/or Harbinger may not be counted for purposes of fulfilling the requirements of section 1129(a)(10) of the Bankruptcy Code . In such a situation, and for at least one class of creditors in which EchoStar and/or Harbinger are a member of (or for any class of creditors in which neither EchoStar nor Harbinger are a member of), more than two-thirds in amount and more than one-half in number of the remaining creditors in such class will be required to vote in favor of the Plan in order for the Plan to be confirmed, and the TSN Debtors will be forced to "cram down" any remaining classes of creditors that vote to reject the Plan pursuant to section 1129(b) of the Bankruptcy Code. Further, in a situation where the vote of EchoStar is not counted for purposes of section 1129(a)(10) of the Bankruptcy Code, in order for Class 3 (the Senior Secured Notes Claims) to vote in favor of the Plan for purposes of section 1129(a)(10) of the Bankruptcy Code, one or more members of the Ad Hoc Group will need to vote in favor of the Plan for Class 3 to vote in favor of the Plan.[6] The Ad Hoc Group also asserts that even if one or both of EchoStar and Harbinger is not deemed to be an "insider" of the TSN Debtors, given the amount and numerosity requirements of section 1126 of the Bankruptcy Code, it may still be difficult to confirm the Plan without the affirmative votes of those holders of Senior Secured Notes that comprise the Ad Hoc Group. Accordingly, the Ad Hoc Group asserts that the affirmative vote of the Ad Hoc Group may be required to confirm the Plan. As stated herein, the TSN Debtors do not believe that EchoStar meets the statutory predicates to be deemed an "insider" for purposes of section 1129(a)(10) of the Bankruptcy Code. If the holders of the claims in Class 3 vote as a class to reject the Plan, the Ad Hoc Group also asserts that the TSN Debtors may not be able to "cram down" the Plan on Class 3 because, according to the Ad Hoc Group, the proposed equity distribution to Class 3 may fail the Bankruptcy Code's requirement that the Plan "not unfairly discriminate." The Ad Hoc Group believes that the current structure of the Plan raises doubts as to the TSN Debtors' compliance with this provisions of the Bankruptcy Code. Specifically, the Ad Hoc Group believes that the Rights Offering's overallotment provision and right of first refusal with respect to non-backstopped shares, each in favor of EchoStar, combined with the minority shareholder protections provided to shareholders in the Reorganized TSN Debtors other than EchoStar, result in EchoStar receiving better treatment under the Plan

[6] Even if EchoStar and/or Harbinger were considered an "insider", such parties' votes would need to be counted for purposes of section 1129(a)(8) of the Bankruptcy Code.

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	than similarly situated creditors (i.e., other holders of the Senior Secured Notes). The TSN Debtors disagree with any assertion that EchoStar is receiving better treatment under the Plan than similarly situated creditors because, among other things, EchoStar is receiving, on account of its Senior Secured Notes Claims, on a pro rata basis, the same treatment in Class 3 as all other holders of Senior Secured Notes Claims. The Ad Hoc Group has approached the TSN Debtors and EchoStar regarding a proposed minority shareholder rights agreement. These negotiations are ongoing, but, to date, no agreement has been reached. Additionally, the Ad Hoc Group asserts that the TSN Debtors may not be able to "cram down" the Plan on Class 3 because the proposed equity distribution to Class 3 may fail the Bankruptcy Code's "fair and equitable" test.
9.	Class 5: The exact percentage of New Common Stock to be distributed (but not, for the avoidance of doubt, the number of shares to be distributed) will be determined after resolution of the Other Unsecured Claims pool (i.e. after the claims objection process has been finally resolved and the total Allowed amount of Other Unsecured Claims has been finally determined); however, for the avoidance of doubt, (1) the TSN Debtors have assumed that the aggregate amount of Allowed Other Unsecured Claims at the TSN Debtors will be approximately $365 million; (2) any decrease in the aggregate amount of Allowed Other Unsecured Claims at the TSN Debtors will result in fewer shares of New Common Stock being issued by Reorganized TSN; and (3) Holders of the Senior Exchangeable Notes Claims will not be harmed by any increase in Allowed Other Unsecured Claims. Class 6: The exact percentage of New Common Stock distributed will be determined after resolution of the Other Unsecured Claims pool (i.e. after the claims objection process has been finally resolved and the total Allowed amount of Other Unsecured Claims has been finally determined). For the avoidance of doubt, (1) the TSN Debtors have assumed that the aggregate amount of Allowed Other Unsecured Claims at the TSN Debtors will be approximately $365 million; (2) to the extent Allowed Other Unsecured Claims are ultimately determined to be greater than $365 million, holders of Allowed Other Unsecured Claims will not receive any additional New Common Stock; (3) to the extent Allowed Other Unsecured Claims are ultimately determined to be less than $365 million, Reorganized TSN will issue fewer shares of New Common Stock.
10.	Additionally, during the prepetition period, the TSN Debtors entered into negotiations with LightSquared/Harbinger with regard to a potential "sparing" arrangement concerning use of each other's in-orbit satellite. At that time, the parties sought to explore whether such an arrangement, after FCC action, would enable for the TSN Debtors and LightSquared/Harbinger to avoid the FCC's requirement for having a "ground spare" satellite (see footnote 26, above) in favor of having access to the other party's in-orbit satellite to the extent that their own in-orbit satellite failed. As of the Petition Date, the parties did not finalize the "sparing" arrangement in light of, among other things, LightSquared/Harbinger's imminent (though not completed) launch and deployment of their satellite. As of the date of this Disclosure Statement, the TSN Debtors have not yet made a final determination as to whether they will seek to continue these negotiations, or whether such an arrangement with LightSquared/Harbinger is in the best interests of the TSN Debtors. Also, there can be no assurance that should such a "sparing" agreement be entered into, the FCC would provide relief from the current ground spare rule.
11.	Certain creditors contend that TSN Debtors may be able to monetize the TerreStar-2 satellite by rejecting the agreement with Loral related to TerreStar-2 and, accordingly, the Liquidation Analysis should take such monetization into account. The TSN Debtors believe that their ability to monetize TerreStar-2 in this manner and based upon the language in their agreement with Loral is a litigable issue. Further, even if such monetization were successful, it would likely have little to no impact on recoveries under the Plan because of, among other things, the deficiency claim of the Senior Secured Noteholders. The TSN Debtors believe that the Liquidation Analysis as described in Exhibit D is not only correct and reasonable, but it

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	provides for a liquidation methodology that results in the best possible outcome for unsecured creditors of any alternate liquidation scenario.
12.	Certain creditors may object to the TSN Debtors' Valuation Analysis in connection with Confirmation of the Plan. In connection with a potential litigation with respect to the Valuation Analysis, Sprint has requested a litigation schedule be determined and included in any order approving the Debtors' Solicitation and Rights Offering Procedures. The TSN Debtors have informed Sprint that they intend to work with all parties who intend to object to confirmation of the Plan on a scheduling order at the appropriate time after approval of the Disclosure Statement. Additionally, Sprint has objected to the Disclosure Statement on the grounds that the valuation and projections need to reflect that revenue may be generated from other revenue streams other than TSN Debtors' distribution contact with AT&T. The TSN Debtors' valuation and projections are based on management's best estimate of future revenue streams, which does not include any revenue streams from the Roam-In Business other than such AT&T contract, and does not include any one-time consideration payments similar to a $40 million payment which was made in the past by LightSquared/Harbinger as part of their efforts to enter into a pooling arrangement with the TSN Debtors.
13.	According to the Ad Hoc Group, the proposed equity distribution to Class 3 may fail the Bankruptcy Code's requirement that the Plan "not unfairly discriminate." The Ad Hoc Group believes that the current structure of the Plan raises doubts as to the TSN Debtors' compliance with this provisions of the Bankruptcy Code. Specifically, the Ad Hoc Group believes that the Rights Offering's overallotment provision and right of first refusal with respect to non-backstopped shares, each in favor of EchoStar, combined with the minority shareholder protections provided to shareholders in the Reorganized TSN Debtors other than EchoStar, result in EchoStar receiving better treatment under the Plan than similarly situated creditors (i.e., other holders of the Senior Secured Notes). The TSN Debtors disagree with any assertion that EchoStar is receiving better treatment under the Plan than similarly situated creditors because, among other things, EchoStar is receiving, on account of its Senior Secured Notes Claims, on a pro rata basis, the same treatment in Class 3 as all other holders of Senior Secured Notes Claims. The Ad Hoc Group has approached the TSN Debtors and EchoStar regarding a proposed minority shareholder rights agreement. These negotiations are ongoing, but, to date, no agreement has been reached.
14.	Section 3.07(b) of the Senior Secured Notes Indenture provides that, "[a]t any time, the Issuer may redeem all or part of the Notes at a redemption price equal to the sum of (i) 100% of the principal amount on the redemption date of the Notes redeemed plus (ii) the Applicable Premium [i.e., a so-called "makewhole premium"] as of the date of redemption." Section 6.01(a)(9) of the Senior Secured Notes Indenture provides that filing a chapter 11 case is an Event of Default. Section 6.02(a) of the Senior Secured Notes Indenture states that upon an Event of Default due to a chapter 11 filing, all outstanding indebtedness becomes due and payable. The enforceability of makewhole premiums has, in certain recent chapter 11 cases, been vigorously and extensively litigated. The occurrence of such litigation here could materially delay confirmation of the Plan.
15.	There can be no assurances that a liquid trading market for the New Common Stock or New Preferred Stock will develop. The liquidity of any market for the New Common Stock or New Preferred Stock will depend, among other things, upon the number of respective holders of New Common Stock and New Preferred Stock, the Reorganized Debtors' financial performance and the market for similar securities, none of which can be determined or predicted. Therefore, the TSN Debtors cannot provide assurances that an active trading market will develop, or if a market develops, what the liquidity or pricing characteristics of that market will be. If an active trading market does not develop, holders of New Common Stock and New Preferred Stock may have difficulty selling their shares.

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16.	Sprint has asserted that its claims related to the Sprint Litigation (described above in Article IV.D) at each of the TSN Debtors. The TSN Debtors do not agree that Sprint has claims related to the Sprint Litigation at each of the TSN Debtors. To the extent that the Bankruptcy Court finds that such claims may successfully be asserted at each of the TSN Debtors, the limited consolidation for voting and distribution purposes contemplated by the Plan may not be approved, and confirmation of the Plan may be delayed.