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VIA FACSIMILE

Office of Engineering and Technology Federal Communications Commission 2000 M Street, N.W. Suite 230 Washington, D.C. 20554 Attn: Douglas Young

Re: Status of the FAISAT-2v (Call Signs KS2XCY, KS2XCZ, KS2XD)

Dear Mr. Young:

Final Analysis Communication Services, Inc., by its attorneys, hereby submits its quarterly status report on the FAISAT-2v Experimental Program:

1. Satellite

All of the satellite components and sub-systems have been manufactured and delivered to Final Analysis. All of these components and sub-systems have successfully gone through environmental testing (including thermal vacuum and vibration testing.) Integration of the satellite is in progress at the new Final Analysis corporate headquarters in Lanham, Maryland. Current plans include shipping the satellite to Russia in January 1997 for launch as a secondary payload aboard a Cosmos rocket in the first quarter of 1997. A firm launch date will be determined in January 1997 by the Russian government.

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2. Ground Stations

Ground stations are being installed in three locations, Logan, Utah, Lanham, Maryland¹ and Andoya, Norway, and additional ground stations may be installed in foreign locations. All parts and components required for these three ground stations have been received. These ground stations have the hardware and software capability to perform TT&C and day-to-day operation for, not only FAISAT-2v, but the full FAISAT commercial constellation.

3. User Terminals

The prototype user terminals have been designed, developed and manufactured. These terminals are currently undergoing testing. These prototypes will be tested together with the assembled satellite, prior to the shipment of the satellite to Russia. Upon completion of the testing, additional user terminals will be manufactured.

Please do not hesitate to call me at the above-referenced number, if you have any questions regarding this matter.

Respectfully submitted,

Peter A. Batacan

Counsel for Final Analysis

¹ An application is pending for this ground station.