



Philip V. Otero
Vice President and General Counsel

GE American Communications, Inc.
Four Research Way, Princeton, NJ 08540-6684
609 987 4013

June 3, 1997

BY HAND

Mr. Thomas S. Tycz
Chief, Satellite and Radiocommunication Division
International Bureau
Federal Communications Commission
2000 M Street, N.W.
Washington, D.C. 20554

**Re: Starsys Global Positioning, Inc.
Commencement of Construction**

Dear Mr. Tycz:

Pursuant to your letter to our counsel of May 13, 1997, Starsys Global Positioning, Inc. ("Starsys") has enclosed for your review a copy of the current contract between Starsys and Alcatel Espace S.A. ("Alcatel") 1/. I hereby attest that the enclosed is a correct copy of the contract between the parties.

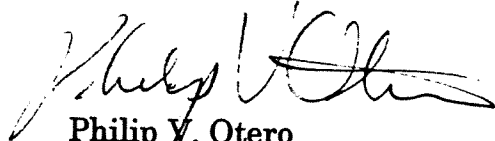
The enclosed contract contains confidential information that is competitively sensitive. The contract is being provided here with the understanding that it will be treated as proprietary, and that access to the contract will not be provided to any third parties without the consent of Starsys. In the event that any party requests access to the contract, Starsys requests that it be notified of this request and that the contract be returned.

In specific response to your questions, this contract was executed on November 27, 1996. It amends and restates a contingent contract that the parties entered into in June 1996, removing the contingency and restating the construction schedule for the Starsys constellation. The contract contains no material contingencies. Alcatel is committed to complete construction of the first two

1/ Starsys received Bureau consent to supply the contract by today.

satellites of its system within the deadline specified in the Starsys authorization, and Alcatel has recently reconfirmed to Starsys that it remains in a position to do so.

Sincerely,

A handwritten signature in black ink, appearing to read "Philip V. Otero". The signature is fluid and cursive, with a large initial "P" and a long, sweeping underline.

Philip V. Otero
Secretary
Starsys Global Positioning, Inc.

Enclosures

cc: Robert A. Mazer
(without enclosures)