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FEB 16 1995

February 14, 1995

VIA HAND DELIVERY

Mr. William F. Caton
Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, D.C. 20554

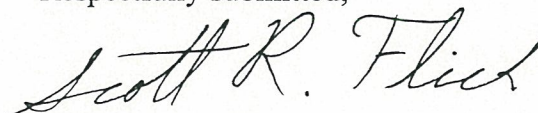
Re: Application of AMSC Subsidiary Corporation
File Nos. 3-DSS-AMEND-93, 4-DSS-AMEND-95

Dear Mr. Caton:

AMSC Subsidiary Corporation ("AMSC"), through its attorneys, hereby submits a copy of an agreement between AMSC and GTE Spacenet Corporation, dated December 14, 1992, which was referenced in the AMSC telemetry, tracking and control application filed on October 20, 1992 (File No. 3-DSS-AMEND-93). Confidential financial information on page 3 of the agreement has been redacted.

Please contact the undersigned should there be any questions on this matter.

Respectfully submitted,



Bruce D. Jacobs
Scott R. Flick
Counsel for AMSC Subsidiary Corporation

BDJ/SRF:rl
Enclosure
4232-000L.007

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FEB 14 1995

CONFIDENTIAL

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

AGREEMENT

This Agreement ("Agreement") entered into as of December 14, 1992 by GTE Spacenet Corporation ("GTE Spacenet"), a Delaware corporation with offices at 1700 Old Meadow Road, McLean, Virginia, 22102, and AMSC Subsidiary Corporation ("AMSC"), a Delaware corporation with offices at 1150 Connecticut Avenue, N.W., Washington, D.C. 20036.

W I T N E S S E T H

WHEREAS, AMSC has been licensed by the Federal Communications Commission ("FCC") pursuant to its Memorandum Opinion, Order and Authorization, 4 FCC Rcd 6041 (1989) (the "FCC License") to operate the United States mobile satellite service system by means of a system that will include a satellite ("AMSC-1") in the geosynchronous orbital position at 101° West Longitude ("101° W.L.");

WHEREAS, the FCC License authorizes AMSC to operate AMSC-1 by means of telemetry, tracking and control ("TT&C") links during on-station operations in the 11/13 GHz bands ("11/13 GHz");

WHEREAS, AMSC desires to operate AMSC-1 by means of TT&C links during on-station operations at 12 GHz

(telemetry transmit) and 14 GHz (command receive) bands ("12/14 GHz");

WHEREAS, AMSC accordingly on October 20, 1992 filed with the FCC a request for authority to amend its application relating to the design of AMSC-1 (File Nos. 20-DSS-MP/ML-92 and 7-DSS-MP/ML-90 (the "Request for Modification"), to construct and operate AMSC-1's on-station TT&C links at 12/14 GHz rather than 11/13 GHz;

WHEREAS, GTE Spacenet is authorized by the FCC to and currently does operate a geosynchronous earth-orbiting satellite known as SPACENET IV ("SPACENET IV") at 101° W.L., and SPACENET IV carries a 12/14 GHz communications transponder but has no TT&C operations in the 12/14 GHz band;

WHEREAS, GTE Spacenet and AMSC agree that collocation of SPACENET IV and AMSC-1 at 101° W.L. and operation of both SPACENET IV and AMSC-1 as currently designed and authorized (in the case of SPACENET IV) or as proposed to be designed and authorized (in the case of AMSC-1) will present minimal interference between AMSC-1 and SPACENET IV TT&C operations, minimal interference between AMSC-1 telemetry frequencies and SPACENET IV communications carriers, and acceptable levels of interference between AMSC-1 command frequencies and SPACENET IV transponder operations; and

WHEREAS, AMSC and GTE Spacenet both desire to provide for the operation of AMSC-1 as currently proposed to be designed, without undue interference among AMSC-1, SPACENET IV and certain other existing or future GTE Spacenet satellites, all as set forth in more detail below.

NOW, THEREFORE, the parties hereto, intending to be legally bound, and in consideration of the foregoing premises and the covenants set forth below, hereby agree as follows:

Section 1. Payments by AMSC; Term

1.1 Annual Payments. If the FCC approves the Request for Modification as submitted, AMSC shall pay to GTE Spacenet per calendar year, commencing on the date on which AMSC-1 has been placed into geosynchronous orbit at 101° W.L. and commences in-orbit checkout, and on each anniversary thereof until the end of the Term (as defined below), except that the first and last such payments shall be prorated with respect to partial calendar years. Such payments shall be by check, or by wire transfer in accordance with instructions (if any) given by GTE Spacenet.

1.2 Term. This Agreement shall be effective as of December 14, 1992, and shall continue in full force for so long as (the "Term"): (i) AMSC-1 is in service at 101° W.L.; (ii) GTE Spacenet is authorized to and

actually does operate any satellite at or control any satellite capacity at 101° W.L. using 12/14 GHz; and (iii) neither party has terminated this Agreement pursuant to Section 7.2.

Section 2. Collocation of AMSC-1 and SPACENET IV

2.1 GTE Spacenet and AMSC each acknowledge that for so long as: (i) AMSC operates AMSC-1's 12/14 GHz TT&C links in accordance with the TT&C parameters set forth in Exhibit 1, and (ii) GTE Spacenet operates SPACENET IV in accordance with the transmission parameters set forth in Exhibit 2, collocation of AMSC-1 and SPACENET IV at 101° W.L. and the operation of SPACENET IV as currently authorized and AMSC-1 as permitted by the FCC License, as proposed to be amended by the Request for Modification (collectively, the "Proposed Design Criteria"), will produce an acceptable level of interference to transmissions to and from AMSC-1 and SPACENET IV (the "Acceptable Level"). For as long as GTE Spacenet operates SPACENET IV at 101° W.L. during the term of this Agreement, it shall operate SPACENET IV only in accordance with the transmission parameters set forth in Exhibit 2.

2.2 GTE Spacenet shall cooperate with AMSC, as reasonably requested by AMSC, in obtaining the FCC's approval of the Request for Modification. Without limiting the foregoing, GTE Spacenet agrees not to

challenge the Request for Modification. AMSC shall reimburse GTE Spacenet for all documented reasonable out-of-pocket expenses directly and actually incurred in connection with such cooperation and in accordance with reasonable guidelines, procedures, and limits agreed to in writing in advance by AMSC and GTE Spacenet.

2.3 GTE Spacenet shall take no action, including without limitation filing or otherwise initiating any regulatory action with the FCC or any other regulatory agency, that might restrict AMSC's authorization or ability to operate AMSC-1 at 101° W.L. in accordance with the Proposed Design Criteria during the Term of this Agreement for so long as: (i) SPACENET IV is located at 101° W.L.; or (ii) the collocation of AMSC-1 and any Replacement Satellite (as defined in Section 3.1 below) at 101° W.L. and the operation of AMSC-1 in accordance with the Proposed Design Criteria will not produce a level of interference (if any) to the operations of such Replacement Satellite any greater than the Acceptable Level.

Section 3. Collocation with Replacement Satellites

3.1 General. In the event that GTE Spacenet replaces, or at any time intends to replace, SPACENET IV at 101° W.L. with (i) a satellite owned wholly or substantially by GTE Spacenet or (ii) a satellite which by a binding agreement between GTE Spacenet and another

party GTE Spacenet agreed, or subsequent to the date hereof does agree, to locate at 101° W.L. (in either case, a "Replacement Satellite"), GTE Spacenet shall at all times use its best commercially reasonable efforts to minimize the interference, if any, to signals transmitted or received by such Replacement Satellite or AMSC-1 by reason of AMSC-1's operation in accordance with the Proposed Design Criteria and to achieve a level of interference to such signals no greater than the Acceptable Level.

3.2 Orbiting Satellites. In the event that any of GTE Spacenet satellites GSTAR I-IV and SPACENET I-III, the Replacement Satellites already in orbit as of the date hereof (each an "Orbiting Satellite"), is relocated to 101° W.L., GTE Spacenet shall, among other steps, consult with AMSC as to the best means of keeping any interference between such Orbiting Satellite and AMSC-1 at or below the Acceptable Level. GTE Spacenet shall take all reasonable actions based on such consultation, and in any event shall take all reasonable actions to minimize interference, if any, to signals transmitted or received by such Orbiting Satellite or AMSC-1 notwithstanding the fact that AMSC-1's operation is in accordance with the Proposed Design Criteria. Such actions may or may not include applying for and attempting to obtain all FCC and other regulatory

authorization to arrange the slotting of all Orbiting Satellites in such a way as to locate an Orbiting Satellite at 101° W.L. with respect to which the operation of AMSC-1 will result in a level of interference to the operations of such Orbiting Satellite at or below the Acceptable Level.

3.3 Completed Satellites. With respect to any Replacement Satellite (i) the construction of which has been completed, and an FCC authorization permitting its operation at 101° W.L. has been or may be granted, but that has not been launched as of the date hereof or (ii) any that has been launched as of the date hereof, but is not as of the date hereof, owned or operated by, nor has any capacity under control by GTE Spacenet (a "Completed Satellite"), GTE Spacenet shall take the following steps, among others, to minimize interference, if any, to signals transmitted or received by AMSC-1 or such Completed Satellite notwithstanding the fact that AMSC-1's operation is in accordance with the Proposed Design Criteria:

(a) GTE Spacenet shall consult with AMSC as to the best means of keeping any interference between such Completed Satellite and AMSC-1 at or below an Acceptable Level; and

(b) GTE Spacenet shall, to the extent possible, allocate Fixed Satellite Service ("FSS") users

(on a preemptible basis when possible) that will suffer least from high power TT&C commands to AMSC-1 to transponders suffering such interference on such Completed Satellite and, if relocated pursuant to Section 4 of this Agreement, will cost the least to relocate.

3.4 Other Satellites. With respect to any Replacement Satellites which are not yet under construction as of the date hereof, whether or not the required authorizations to construct and operate such satellites have been granted, GTE Spacenet shall take such of the following steps, among others, as AMSC shall reasonably request and do not adversely affect GTE Spacenet's satellite fleet or program (except as such adverse effects are susceptible of being fully compensated by monetary payments, and for which AMSC agrees to compensate GTE Spacenet as described in the last sentence of this Section 3.4), to minimize interference, if any, in the event that any Orbiting Satellite is relocated to 101° W.L., to signals transmitted or received by AMSC-1 or such other satellites notwithstanding the fact that AMSC-1's operation is in accordance with the Proposed Design Criteria:

(a) GTE Spacenet shall consult with AMSC as to the best means of keeping any interference between

such other satellites and AMSC-1 at or below an Acceptable Level;

(b) GTE Spacenet shall, to the extent possible, allocate FSS users (on a preemptible basis when possible) that will suffer least from high power TT&C commands to AMSC-1 to transponders suffering such interference on such other satellites and, if relocated pursuant to Section 4 of this Agreement, will cost the least to relocate;

(c) GTE Spacenet shall, to the extent possible, amend its relevant authorizations and pending applications from the FCC and other regulating bodies to permit modifications to the design of such other satellites to minimize harmful interference; and

(d) At the election of AMSC, GTE Spacenet shall to the extent possible appropriately redesign or otherwise modify such other satellites as approved pursuant to Section 3.4(c) above.

GTE Spacenet's obligation to take any of the foregoing steps shall be further subject to AMSC specifically agreeing in writing (i) to reimburse GTE Spacenet for all reasonable expenses, if any, paid to unaffiliated third parties actually and directly incurred in connection with such steps; and (ii) to pay to GTE Spacenet all reasonable sums necessary fully to compensate GTE Spacenet for all demonstrable decreases

in revenues (net of decreases in costs) directly resulting from adverse effects on GTE Spacenet's satellite fleet or program caused by such steps. GTE Spacenet's obligation to take any of the foregoing steps shall also be limited to circumstances in which the amount of compensation payable to GTE Spacenet by AMSC pursuant to clause (ii) of the preceding sentence is readily ascertainable and not speculative in amount, and fully compensates GTE Spacenet for the adverse affect on its satellite fleet or program.

Section 4. Relocation of AMSC-1

4.1 In the event that, despite GTE Spacenet's best commercially reasonable efforts to keep interference to signals transmitted to or from AMSC-1 and a Replacement Satellite at or below an Acceptable Level, the level of interference between transmissions to and from AMSC-1 and a Replacement Satellite materially exceeds the Acceptable Level, AMSC and GTE Spacenet shall have the respective rights and obligations accorded them in this Section 4.

(a)(i) AMSC, at its election, shall have the right to purchase from GTE Spacenet the right to cause GTE Spacenet to market and sell, on a Preemptible basis, any capacity subject to interference that materially exceeds an Acceptable Level ("Impaired Capacity") on all affected transponders (subject to contractual

obligations and rights of GTE Spacenet, existing as of the date of AMSC's election, to other GTE Spacenet customers prohibiting it from preempting or relocating such customers' traffic on such transponders) so as to avoid any conflict between such interference and the contractual or other rights of GTE Spacenet, its customers, and its customers' customers.

(a)(ii) To the extent that GTE can reasonably market and sell any Impaired Capacity on such a Preemptible basis, the monthly recurring charge payable by AMSC to GTE Spacenet for the rights described in Section 4.1(a)(i) shall equal a differential rate defined as follows. The differential rate (the "Differential Rate") shall be the difference (if any) between the monthly rates that GTE Spacenet then charges (A) for its Full Transponder/Full Period Preemptible transponder services (as defined in GTE's standard Satellite Service Agreement) and (B) the monthly rate that GTE Spacenet then charges for its Full Transponder/Full Period Protected transponder services (as defined in GTE Spacenet's standard Satellite Service Agreement) provided on the affected transponder at the time AMSC makes its election under Section 4.1(a)(i), multiplied by the percentage of the transponder bandwidth associated with the Impaired Capacity. If and to the extent that GTE Spacenet cannot reasonably sell

any portion of the Impaired Capacity on the basis described in clause (B) of the preceding sentence, the rate referred to in clause (B) shall be the rate for the corresponding service classification (i.e., Occasional, Preemptible, Protected, etc.) on which GTE Spacenet could reasonably sell the Impaired Capacity. The monthly rates for such services shall equal the sum over all customers of (A) the annual rate card rate for such services for each customer in each classification of service, multiplied by (B) the total number of months (or portion thereof) for which each customer paid for such services; divided by the product of (x) 12 months times (y) the total number of customers. The rate card rate shall be that annual rate used by GTE Spacenet during the previous 12-month period, prorated according to the period of time in effect if more than one rate was in effect during such period for any service classification.

(a)(iii) Notwithstanding AMSC's rights under Section 4.1(a)(i), in the event that the level of interference between transmissions to and from AMSC-1 and a Replacement Satellite materially exceeds the Acceptable Level, GTE Spacenet shall have the right in its sole discretion, and in lieu of marketing and selling the Impaired Capacity on a preemptible basis, to relocate a customer's traffic to another transponder or

otherwise on the same Replacement Satellite. If GTE Spacenet so relocates one or more customers and so avoids any conflict between the interference and the service of its customer, AMSC shall pay GTE Spacenet for all reasonable expenses actually and directly incurred in connection with such relocation(s) that would not have been incurred by GTE Spacenet but for the interference, and AMSC shall not otherwise be liable to GTE Spacenet in respect of such interference or Impaired Capacity.

(a)(iv) Notwithstanding its rights under Section 4.1(a)(i) of this Agreement, in the event that the affected transponder then being marketed by GTE Spacenet for service is on an occasional basis, AMSC shall have the right to purchase time on the affected GTE Spacenet transponder at GTE Spacenet's applicable rate card rate for such service, for times during which the interference will materially exceed an Acceptable Level, provided that AMSC schedules such time reasonably in advance through GTE Spacenet's video service coordinator. Such service shall be provided to AMSC under the standard GTE Spacenet occasional use terms and conditions.

(b) In addition, in the event that GTE Spacenet has not, for whatever reason, committed to provide the Impaired Capacity to one of its customers on a

preemptible basis, in accordance with Section 4.1(a)(i), then AMSC may resell, lease, or take service on, for communications transmission other than by way of interference, the Impaired Capacity under the following condition. AMSC shall pay GTE Spacenet for all such service at the applicable rate from time to time charged therefor by GTE Spacenet pursuant to its then-current rate card for equivalent bandwidth, power, type of service, length of service term, and other relevant factors (the "Published Rate").

(c) To the extent that GTE Spacenet cannot reasonably market and sell any Impaired Capacity, AMSC shall have the right in its sole election to: (i) lease or take service on such Impaired Capacity, at a rate equal to GTE Spacenet's then-current applicable Published Rate; or (ii) to purchase any or all transponders affected by interference above an Acceptable Level, on an unprotected, non-preemptible basis, for a purchase price equal to the average publicly available (or disclosed to AMSC) purchase price paid during the immediately preceding 24 months prior to the date on which AMSC gives its notice of election, for comparable service or comparable transponders on the Replacement Satellite, or if there are no such sales on the Replacement Satellite, for such sales of comparable service on comparable transponders on comparable

satellites in GTE Spacenet's fleet, or other capacity under the control of GTE Spacenet.

(d)(i) In the events described in Sections 4.1(a)(i), 4.1(a)(ii), or 4.1(a)(iii) above, GTE Spacenet shall retain the sole rights to use the power and bandwidth associated with the Impaired Capacity.

(d)(ii) In the event that, in accordance with Section 4.1(b), neither GTE nor AMSC have contracted (with their respective customers) to use the Impaired Capacity, then, on 30 days prior written notice to AMSC, GTE Spacenet shall have the right to permanently recapture any or all of the power (but not the bandwidth) of the Impaired Capacity, in which event AMSC shall pay GTE Spacenet for that portion of the Impaired Capacity not so recaptured and which AMSC elects to lease or take service on, at GTE Spacenet's then-current applicable Published Rate.

(d)(iii) In the event described in Section 4.1(c)(i), then, on 30 days prior written notice to AMSC, GTE Spacenet shall have the right to permanently recapture any or all of the power (but not the bandwidth) of the Impaired Capacity, in which event AMSC shall pay GTE Spacenet for that portion of the Impaired Capacity not so recaptured and which AMSC

elects to lease or take service on, at GTE Spacenet's then-current applicable Published Rate.

(e) If AMSC so elects to purchase the rights described in paragraph 4.1(a), AMSC and GTE Spacenet shall enter into an agreement, consistent with this Section 4.1, specifying the purchase price for such rights, and all other material relevant terms.

4.2 In the event that AMSC does not so elect to purchase from GTE Spacenet the rights described in paragraph 4.1(a) or to lease and/or purchase all of the Impaired Capacity pursuant to paragraph 4.1(c), AMSC at its election shall either: (i) cease to operate AMSC-1 in a manner that causes interference to a Replacement Satellite above an Acceptable Level, or (ii) to the extent feasible and at its expense relocate AMSC-1 from 101° W.L. to another orbital location, subject to FCC approval, within a period to be agreed upon. In such event, AMSC shall compensate GTE Spacenet for all lost revenues resulting from a level of interference materially above the Acceptable Level to and from AMSC-1 and any Replacement Satellite, with respect to the period beginning on the date that GTE Spacenet gives notice to AMSC (with reasonable supporting documentation) that interference materially above an Acceptable Level has occurred, and ending on the date that AMSC moves AMSC-1 from 101° W.L.

4.3 GTE Spacenet and AMSC each acknowledge that if, as provided in Section 4.2 hereof, AMSC relocates AMSC-1 to any geosynchronous orbital position at least 1° removed from 101° W.L., operation of AMSC-1 as permitted by the Proposed Design Criteria and SPACENET IV (as currently authorized by means of TT&C links at 12/14 GHz) or any Replacement Satellite will produce no interference to transmissions to or from AMSC-1, SPACENET IV or such Replacement Satellite.

Section 5. Certain Covenants and Limitations.

5.1 AMSC Covenants Regarding Certain GTE Spacenet FCC Filings. AMSC hereby covenants and agrees that at no time during the Term of this Agreement shall AMSC file an opposition to or a petition to deny any application filed or joined in by GTE Spacenet, or as to which GTE Spacenet is a party in interest, seeking authorization to locate a satellite or any satellite capacity at 101° W.L..

5.2 Limitation on Certain GTE Spacenet Obligations. Notwithstanding any other provision of this Agreement to the contrary, the obligations of GTE Spacenet hereunder relating to any satellite shall only extend to the portion of or interest in such satellite or satellite capacity thereon, owned or controlled by GTE Spacenet.

Section 6. Representations and Warranties.

6.1 AMSC: Authorized and Effective Agreement

(a) AMSC represents and warrants that: (i) AMSC has all requisite corporate power and authority to enter into this Agreement and to perform all of its obligations hereunder; (ii) the execution and delivery of this Agreement and consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate action in respect thereof on the part of AMSC; and (iii) this Agreement constitutes a legal, valid and binding obligation of AMSC, and is enforceable against AMSC in accordance with its terms.

(b) AMSC represents and warrants that neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby or compliance by AMSC with any of the provisions hereof will (i) violate any provision of the certificate of incorporation or by-laws of AMSC, (ii) subject to receipt of all required FCC and other governmental approvals, violate any license, authorization, order, writ, injunction, decree, statute, rule or regulation applicable to AMSC, or (iii) with or without the giving of notice, the passage of time, or both, result in a

default under any agreement or instrument to which AMSC is a party or to which its property is subject.

6.2 GTE Spacenet: Authorized and Effective Agreement

(a) GTE Spacenet represents and warrants that:

(i) GTE Spacenet has all requisite corporate power and authority to enter into this Agreement and to perform all of its obligations hereunder; (ii) the execution and delivery of this Agreement and consummation of the transactions contemplated thereby have been duly and validly authorized by all necessary corporate action in respect thereof on the part of GTE Spacenet; and (iii) this Agreement constitutes a legal, valid and binding obligation of GTE Spacenet, and is enforceable against GTE Spacenet in accordance with its terms.

(b) GTE Spacenet represents and warrants that neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby or compliance by GTE Spacenet with any of the provisions hereof shall (i) violate any provision of the certificate of incorporation or by-laws of GTE Spacenet, (ii) subject to receipt of all required FCC and other governmental approvals, violate any license, authorization, order, writ, injunction, decree, statute, rule or regulation applicable to GTE Spacenet, or (iii) with or without the giving of notice, the passage of time, or both, result in a default under any

agreement or instrument to which GTE Spacenet is a party or to which its property is subject.

Section 7. Miscellaneous

7.1 Entire Agreement; Amendment. This Agreement embodies and constitutes the entire understanding between the parties with respect to the transactions contemplated hereby, and all prior agreements, negotiations, understandings, representations and statements, oral or written, are merged into this Agreement. Neither this Agreement nor any provision hereof may be modified, amended or terminated except by a written instrument signed by authorized representatives of each party. No modification or amendment of or to this Agreement shall be binding on AMSC unless signed by both (i) its General Counsel, and (ii) its President or any Vice President.

7.2 Termination. This Agreement may be terminated at any time by GTE Spacenet in writing if AMSC has, or by AMSC in writing if GTE Spacenet has, breached any covenant or representation contained herein, and failed to cure such breach within (i) if a monetary breach, ten (10) days after notice of such breach; or (ii) if a non-monetary breach, within thirty (30) days after notice of such breach, or if such breach is not reasonably susceptible of cure within thirty (30) days but is susceptible of cure within a longer period,

within such longer period provided that the breaching party diligently and continuously endeavors to cure the breach, and does so within such longer period. AMSC shall also have the right in its sole discretion to terminate this Agreement without further liability or obligation hereunder by notice of termination to GTE Spacenet given (i) prior to the release of any final FCC order in response to the Request for Modification, provided that AMSC shall have withdrawn its Request for Modification or petition for reconsideration of the FCC order relating thereto, as the case may be; or (ii) at any time on or before the sixtieth (60th) day after the date on which an order released by the FCC denying the Request for Modification (or approving the Request for Modification, but with conditions unacceptable to AMSC in its sole discretion, in which case provided that AMSC has withdrawn the Request for Modification) has become final.

7.3 Assignability. GTE Spacenet shall ensure that this Agreement shall be binding on all acquirors of or successors to any of GTE Spacenet's rights with respect to SPACENET IV or 101. W.L.

7.4 Notices. All notices, demands, requests or other communications which may be or are required to be given, served or sent by either party to the other party pursuant to this Agreement, shall be in writing and

shall be hand delivered, sent by express mail or other overnight delivery service or mailed by registered or certified mail, return receipt requested, postage prepaid, or transmitted by telecopy, addressed as follows:

(i) If to AMSC:

Vice President and General Counsel
AMSC Subsidiary Corporation
1150 Connecticut Avenue, N.W.
Washington, D.C. 20036
Telecopier No. (202) 331-5861

with a copy to

Vice President and Regulatory Counsel
AMSC Subsidiary Corporation
1150 Connecticut Avenue, N.W.
Washington, D.C. 20036
Telecopier No. (202) 331-5861

with an additional copy (which shall not constitute notice) to its counsel:

Gary E. Humes, Esq.
Arnold & Porter
1200 New Hampshire Ave., N.W.
Washington, D.C. 20036
Telecopier No. (202) 728-2130

(ii) If to GTE Spacenet:

GTE Spacenet Corporation
1700 Old Meadow Road
McLean, Virginia 22102
Attn: Director of Business Management

with a copy (which shall not constitute notice) to:

Ms. Terri Natoli
Manager, Regulatory and
Industry Relations
GTE Spacenet Corporation
1700 Old Meadow Road
McLean, Virginia 22102

Each party may designate by notice in writing a new address (or substitute or additional persons) to which any notice, demand, request or communication may thereafter be so given, served or sent. Each notice, demand, request, or communication which shall be mailed, sent, delivered, or telecopied in the manner described above, shall be deemed sufficiently given, served, sent or received for all purposes at such time as it is delivered to the addressee (with the return receipt, the delivery receipt or, with respect to a telecopy, with confirmed completion of transmission being deemed conclusive evidence of such delivery) or at such time as delivery is refused by the addressee upon presentation.

7.5 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Commonwealth of Virginia, without giving effect to the conflicts of laws provisions thereof.

7.6 Captions. The captions in this Agreement are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions hereof.

7.7 Benefit; No Third Party Beneficiaries. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their permitted assigns. This Agreement is entered into solely for the

benefit of all such parties. Nothing herein contained will be deemed to create any third party beneficiaries or confer any benefit or rights on or to any person not a party hereto, and no person not a party hereto shall be entitled to enforce any provisions hereof or exercise any rights hereunder.

7.8 Publicity. The parties agree that no publicity release or public announcement concerning the transactions contemplated hereby shall be issued by either party without the advance consent of the other. The parties shall cooperate in all reasonable respects with all publicity releases or public announcements consented to by both.

7.9 Confidentiality. Each party shall treat this Agreement and all information and communications received from the other in connection herewith as strictly confidential and not disclose it to any third party, except (i) as required by law, regulation or governmental authority, provided that the disclosing party gives the other party prompt advance notice of such requirement prior to disclosure, or (ii) to the extent already public. Notwithstanding the foregoing, either party may without the consent of the other provide copies of this Agreement to its present or prospective investors, lenders, underwriters, principal equity holders, consultants, legal counsel, and auditors

and accountants; provided, however, that the disclosing party shall take all reasonable actions to maintain the confidential nature of this Agreement and all related information and communications.

7.10 Waiver. Neither the waiver by either of the parties hereto of a breach of or a default under any of the provisions of this Agreement, nor the failure of either of the parties, on one or more occasions, to enforce any of the provisions of this Agreement or to exercise any right or privilege hereunder shall thereafter be construed as a waiver of any subsequent breach or default of a similar nature, or as a waiver of any other provisions, rights, or privileges hereunder. No waiver of any provision of this Agreement shall be binding on AMSC unless incorporated in a writing signed by both (i) its General Counsel, and (ii) its President or any Vice President.

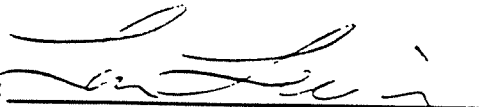
7.11 Costs and Expenses. Each party hereto shall pay its own expenses incident to this Agreement and the transactions contemplated hereunder, except as otherwise expressly provided herein or as may be agreed in writing by the parties after the date hereof.

7.12 Counterparts. To facilitate execution, this Agreement may be executed in as many counterparts as may be required, and it shall not be necessary that the signature of, or on behalf of, each party, or that the

signatures of all persons required to bind any party, appear on each counterpart, but it shall be sufficient that the signature of, or on behalf of, each party, or that the signatures of the persons required to bind any party, appear on one or more such counterparts. All counterparts shall collectively constitute a single agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

AMSC SUBSIDIARY CORPORATION

By: 
Lon Levin
Vice President and
Regulatory Counsel

GTE SPACENET CORPORATION

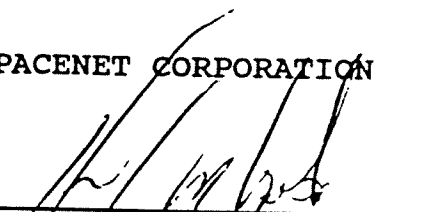
By: 
Howard Svigals
Vice President and
General Manager
Satellite Services

EXHIBIT 1

AMSC TELEMETRY, TRACKING AND COMMAND PARAMETERS

COMMAND PARAMETERS	UPPER	LOWER
FREQUENCY, MHz	14499.5	14000.5
MAX FLUX DENSITY, dBW/SQM	-85.0	-100.0
ANTENNA COVERAGE	OMNI	N. AMERICA
POLARIZATION	VERTICAL	HORIZONTAL
MODULATION	FM	FM
PEAK DEVIATION, kHz	300	300
OCCUPIED BANDWIDTH, kHz	800	800
RECEIVER BANDWIDTH, MHz	1	1
EMISSION DESIGNATOR	700KF9D	700KF9D

TELEMETRY CARRIER PARAMETERS

FREQUENCY, MHz	11701.0	11700.5
ANTENNA	Switchable between omni and directive	
MODULATION	Phase, 1 radiation	
OCCUPIED BANDWIDTH, kHz	100	
EMISSION DESIGNATOR	138KGXD	
FREQUENCY STABILITY, +/- kHz	50	

SATELLITE TELEMETRY ANTENNA PARAMETERS	POLARIZATION	PEAK EIRP, dBW
Omni	Horizontal	9
Directive	Vertical	11

TT&C EARTH STATION CHARACTERISTICS

ANTENNA DIAMETER	11 meters	
ON AXIS GAIN	Receive = 60 dBi	Transmit = 61 dBi
OFF AXIS GAIN	29 - 25LOG (theta) dBi, theta ≥ 1 deg.	
G/T, dB/K	37	
POLARIZATION	Linear	

EXHIBIT 2

GTE TRANSMISSION PARAMETERS IN THE DIRECTION OF AMSC-1
EARTH-TO-EARTH SPACE DIRECTION

Maximum Power Co-polarized Power Flux Density at
the satellite in 1 MHz bandwidth:

-130 dBW/sq. meter at 14000.5 MHz.

-115 dBW/sq. meter at 14499.5 MHz.

SPACE-TO-EARTH DIRECTION

Maximum satellite co-polarized EIRP in 100 kHz
bandwidth:

- 20 dBW at 11700.5 MHz or 11701.0 MHz.