

1776 K STREET NW

Virginia Office

**SUITE 6200** 

www.wrf.com

PHONE

FAX

McLEAN, VA 22102

WASHINGTON, DC 20006

PHONE 202.719.7000

7925 JONES BRANCH DRIVE

202.719.7049

703.905.2800

703.905.2820

## Wiley Rein & Fielding LLP

## ORIGINAL

Received

MAY 1 9 2003

May 14, 2003

Policy Branch International Bureau Tricia Paoletta 202.719.7532 tpaoletta@wrf.com

RECEIVED

Ms. Marlene H. Dortch, Secretary Federal Communications Commission 236 Massachusetts Avenue, N.E., Suite 110 Washington, DC 20002

MAY 1 4 2003

FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

Re: Errata

Final Analysis Communication Services, Inc. Petition for Waiver (filed Mar. 29, 2002); File Nos. SAT-LOA-19941116-00088;

SAT-AMD-19950224-00033; SAT-AMD-19960223-00031; SAT-AMD-19960819-00107; SAT-AMD-19971030-00175

Dear Ms. Dortch:

On May 12, 2003, New York Satellite ("NYS") filed a letter to provide a timeline of the progress of the FAISAT system in the above-captioned proceeding. Counsel recently discovered a minor error on page two, the second line from the end of the page. A period was inadvertently deleted between the words dates and upon. Attached please find a corrected version of the letter. Please replace the currently filed version of the letter with the attached corrected version.

Please do not hesitate to contact the undersigned should you have any questions.

Sincerely,

Patricia J. Paoletta



## Wiley Rein & Fielding LLP

1776 K STREET NW
WASHINGTON, DC 20006
PHONE 202.719.7000
FAX 202.719.7049

7925 JONES BRANCH DRIVE
SUITE 6200
McLEAN, VA 22102
PHONE 703.905.2800
FAX 703.905.2820

www.wrf.com

May 12, 2003

Tricia Paoletta 202.719.7532 tpaoletta@wrf.com

Ms. Marlene Dortch Secretary Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

e: Final Analysis Communication Services, Inc.

Petition for Waiver (filed Mar. 29, 2002); File Nos. SAT-LOA-19941116-00088;

SAT-AMD-19950224-00033; SAT-AMD-19960223-00031; SAT-AMD-19960819-00107; SAT-AMD-19971030-00175

## Dear Madame Secretary:

New York Satellite ("NYS") by its counsel files this letter to provide a timeline of the progress of the FAISAT system. The attached letter (and its attachments) clarifies the legal restrictions outside Final Analysis Communication Services, Inc.'s ("FACS") control that led to missing its milestones, and provides information on how FACS, once NYS purchased controlling shares of FACS at FAI's bankruptcy sale, has continued to make progress in developing its FAISAT system. The attachments to this letter are confidential.

Wiley Rein & Fielding ("WRF") represents NYS, the current owner of the licensee, FACS. Once certain creditors of FAI (FACS' previous owner and prime contractor) filed Chapter 7 proceedings against it, FAI was no longer a going concern and its assets were sold in liquidation. FAI was FACS' prime contractor to develop the Little LEO system. Upon the involuntary bankruptcy of FAI, FACS was unable to force FAI to perform under its contract to deploy the system, and the Trustee prohibited FACS from entering into new contracts. NYS purchased controlling shares of FACS from the bankruptcy court in January 2002, and subsequently FACS filed for a transfer of control with the Commission. Once the transfer was approved, FACS filed with the State Department for approval of the Technical Assistance Agreement ("TAA") to share data with its contractor, Polyot of Russia. That TAA, while expected in the near term, is still pending (although not for an unusually long period).

Marlene Dortch May 12, 2003 Page 2

Below is a timeline that lists the seminal events demonstrating uncontrollable legal restrictions and despite those restrictions, progress on the FAISAT system:

- 1. Aug. 2001 FACS signed secondary payload contract for \$10 M, with \$2 M installment paid to FACS in Sept. 2001.
- 2. Sept. 2001 <u>Involuntary</u> filing against FAI by certain of FAI's creditors
- 3. Oct. 2001 Trustee appointed in involuntary Chapter 7 bankruptcy
- 4. Dec. 2001 bankruptcy sale of FAI's assets noticed
- 5. Jan. 2002 Bids, auction, sale to NYS closed, but stock remained under Trustee's control, pending FCC approval
- 6. Jan. 2002 FACS filed with FCC for transfer of control to NYS
- 7. May 2002 \$10 M new financing raised by NYS
- 8. August 2002 FCC granted transfer of control; FACS applied to register with State Department, commencing TAA effort
- 9. Sept. 2002 Controlling shares of FACS transferred by Trustee to NYS
- 10. Nov. 2002 launch and space craft bus contracts signed by NYS with Polyot
- 11. Feb. 2003 \$20 M service provider and investment agreements signed by FACS with SE Asian entity to invest in FACS and provide FACS services in SE Asia
- 12. December 2003 first set of flight radios and related equipment to be delivered to FACS

We request confidential treatment of the attachments, including FACS' letter to State Department earlier this year seeking approval of the TAA. To reiterate our request to the Bureau, NYS requests that the Bureau not release any order on the waiver petition until such time as it reviews the attached and FACS has obtained TAA approval and therefore can provide unconditional launch dates. Upon receipt of TAA approval, FACS could launch its first two satellites (from which FACS

Marlene Dortch May 12, 2003 Page 3

could provide commercial service) by December 2004 and launch the remaining satellites by December 2006.

Sincerely,

Tricia Paoletta

Attachments

cc (with attachments):

Don Abelson

Bryan Tramont

Jennifer Manner

Polita

Sam Feder

Paul Margie

Barry Ohlson

Jackie Ruff

Anna M. Gomez

Thomas S. Tycz

Cassandra Thomas

Rod Porter

Mark Young

Bob Nelson

John Giusti