# $\frac{\textbf{DESCRIPTION OF THE PROPOSED PRO FORMA ASSIGNMENT}}{\textbf{AND PUBLIC INTEREST STATEMENT}^1}$

EchoStar Corporation ("EchoStar") requests the consent of the Federal Communications Commission (the "Commission"), pursuant to Section 25.119 of its rules,<sup>2</sup> to effect a *pro forma* assignment of its space station authorizations listed on Schedule 1 hereto to its indirect whollyowned subsidiary, EchoStar Satellite Operating Corporation ("ESOC"), and one blanket earth station license listed on Schedule 2 hereto to its indirect wholly-owned subsidiary, EchoStar 77 Corporation ("E77").<sup>3</sup> The internal reorganization is a necessary step in order for EchoStar's subsidiaries to obtain debt financing and will ultimately improve the provision of satellite services to EchoStar's customers, who in turn provide retail direct-to-home satellite television service to millions of U.S. customers.

In 2008, EchoStar was spun off from its predecessor, EchoStar Communications

Corporation. As a result of the spin-off, EchoStar obtained several Direct Broadcast Satellite

("DBS") and Fixed-Satellite Service ("FSS") satellite licenses, transmit/receive, transmit-only,

and receive-only earth station licenses, and wireless radio licenses, including without limitation

certain of the licenses set forth in Schedule 1 and Schedule 2. Additionally, in the three years

since the spin-off, EchoStar has been granted additional satellite and earth station authorizations.

<sup>&</sup>lt;sup>1</sup> EchoStar is simultaneously submitting an application for the *pro forma* assignment of its earth station and wireless radio licenses to its indirect wholly-owned subsidiary, EchoStar Broadcasting Corporation.

<sup>&</sup>lt;sup>2</sup> 47 C.F.R. §25.119.

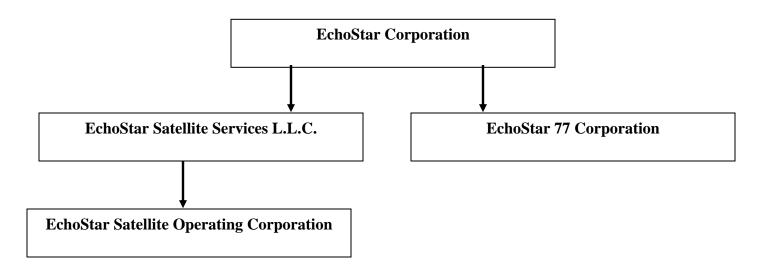
<sup>&</sup>lt;sup>3</sup> To the extent that EchoStar has received authority to operate any of the licenses identified in this application under special temporary authority at the time this assignment is consummated, EchoStar requests a determination by the Commission that the grant of this Application includes authority for EchoStar to assign such temporary authorizations.

EchoStar has received the approval of its board of directors to assign, upon the Commission's consent, all of its space stations and associated authorizations to its indirect wholly-owned subsidiary, ESOC, and its blanket earth station license authorizing the provision of service into the United States from the Mexican-licensed EchoStar 4 and EchoStar 8 satellites at 77° W.L. to E77.

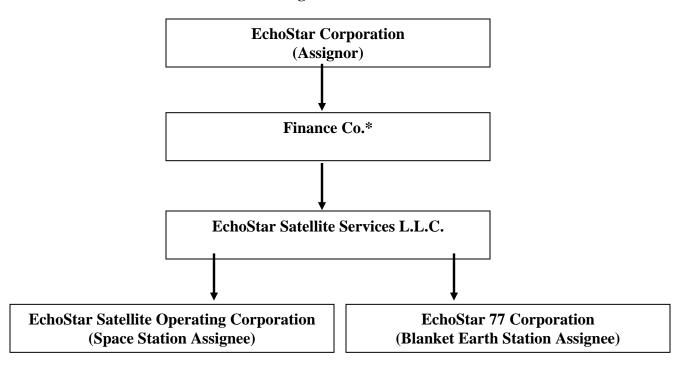
ESOC is directly held by EchoStar Satellite Services L.L.C. ("ESS"), which in turn is directly held by EchoStar Corporation. Prior to obtaining financing, EchoStar intends to incorporate a new direct wholly-owned subsidiary ("Finance Co.") and contribute all of the issued and outstanding stock of ESS to Finance Co. As a result, ESOC will be an indirect subsidiary of Finance Co.

E77 is currently a directly held subsidiary of EchoStar; however, EchoStar intends to contribute all of the issued and outstanding stock of E77 to ESS. Upon creation of Finance Co. as described above, E77 will become an indirect subsidiary of that company. The diagram below illustrates the planned corporate structure and the simple "move" of the authorizations.

### **Current Structure**



### **Post-Reorganization Structure**



<sup>\*</sup> This entity has not yet been incorporated or named.

The proposed transaction is *pro forma* in nature because it will not result in any actual change in control over the licenses. Rather, the licenses will be assigned to entities, ESOC and E77, which are wholly owned by the current licensee, EchoStar. The assignment will also serve the public interest because it will allow Finance Co. to obtain necessary financing for future growth, acquisition of additional satellites, and expansion of both E77's and ESOC's service offerings. The reorganization will also streamline the distribution of wholesale satellite services offered by EchoStar's subsidiaries, ultimately improving the service provided to end users through EchoStar's customers. Additionally, the financing that is supported by this proposed assignment will allow EchoStar's subsidiaries to enter into new markets and attract new customers, thereby increasing competition in the multichannel video programming distribution market.

To effect this transfer and to pass on to consumers the benefits that EchoStar and its subsidiaries will obtain from the anticipated financing, EchoStar respectfully requests that the Commission consent to the proposed *pro forma* assignment.

#### Schedule 1

DBS Space Station Authorizations				
Call Sign	<b>Orbital Location</b>	Expiration Date		
S2811 <sup>4</sup>	61.55° W.L.	8/6/2020		
S2653	61.35° W.L.	10/15/2013		
S2741 <sup>5</sup>	61.5° W.L.	1/27/2018		
S2232 <sup>6</sup>	61.65° W.L.	8/11/2014		
S2454	86.5° W.L.	10 years from the date in operation		
		at authorized location (not yet		
		constructed)		

17/24 GHz BSS Space Station Authorizations				
Call Sign	Orbital Location	<b>Expiration Date</b>		
S2723	62.15° W.L.	15 years from the date in operation		
		at authorized location (not yet		
		constructed)		
S2725	75° W.L.	15 years from the date in operation		
		at authorized location (not yet		
		constructed)		
S2440	79° W.L.	15 years from the date in operation		
		at authorized location (not yet		
		constructed)		
S2442	107° W.L.	15 years from the date in operation		
		at authorized location (not yet		
		constructed)		
S2441	110.4° W.L.	15 years from the date in operation		
		at authorized location (not yet		
		constructed)		

<sup>&</sup>lt;sup>4</sup> Assignment of this license includes EchoStar's special temporary authority ("STA") to operate the EchoStar 15 satellite over Channels 23 and 24 at 61.5° W.L. *See* File No. SAT-STA-20100830-00184 (granted Oct. 21, 2010). The temporary authority expires on April 15, 2011.

<sup>&</sup>lt;sup>5</sup> Assignment of this license includes EchoStar's STA to operate EchoStar 3 as an in-orbit spare at 61.45° W.L. *See* File No. SAT-STA-20110202-00021 (granted Feb. 9, 2011). The temporary authority expires on March 6, 2011.

<sup>&</sup>lt;sup>6</sup> Assignment of this license includes EchoStar's STA to operate EchoStar 6 at 76.95° W.L. *See* File No. SAT-STA-20110207-00026 (granted Feb. 11, 2011). The temporary authority expires on March 12, 2011.

Fixed-Satellite Service Space Station Authorizations				
Call Sign	Orbital Location	<b>Expiration Date</b>		
S2179	121° W.L.	8/19/2018		
(Ka-band)				
S2143	121° W.L.	8/19/2018		
(Ku-band)				

## Schedule 2

DBS Blanket Earth Station Authority					
Call Sign	Location	<b>Expiration Date</b>			
E050196	"Various"	4/18/2021			