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December 22, 2003

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 Twelfth Street, SW  
Washington, DC 20554

RE: File Nos: 183/184/185/186-SAT-P/LA-97; 182-SAT-P/LA-97(64)

IBFS Application File Numbers:  
SAT-LOA-19970926-00151-154  
SAT-LOA-19970926-00156  
SAT-AMD-20011103-0154  
SAT-MOD-20020717-00116-119  
SAT-MOD-20020717-00107-110  
SAT-MOD-20020722-00112  
Call Signs S2320/S2321/S2322/S2323/S2324

Dear Ms. Dortch:

This letter is written on behalf of Globalstar, L.P. ("GLP"), pursuant to Section 1.65 of the Commission's Rules (47 C.F.R. § 1.65) to report on a proposed change in ownership of the licensee and applicant of the above-referenced call signs and applications.

The Commission granted GLP authority to construct, launch and operate a Mobile-Satellite Service ("MSS") system in the 2 GHz frequency bands on July 17, 2001.<sup>1</sup> The authorized 2 GHz MSS system consisted of one nongeostationary satellite constellation (S2320) and four geostationary orbit satellites (S2321-2322-2323-2324). On July 17, 2002, GLP filed applications requesting certain technical changes to the system and proposing modification of the implementation milestones for the nongeostationary constellation and three of the four geostationary satellites. The file numbers for these applications are referenced above.

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<sup>1</sup> *Globalstar, L.P.*, DA 01-1634,16 FCC Rcd 13739 (Int'l Bur. 2001).

On January 29, 2003, the International Bureau adopted a Memorandum Opinion and Order, in which it denied GLP's request for modification of the implementation milestones and canceled all GLP's 2 GHz MSS licenses.<sup>2</sup> The Bureau determined that, since GLP's satellite construction contract with Space Systems/Loral, Inc., reflected the proposed milestones rather than the milestones in GLP's 2001 authorization, the contract could not be deemed to meet the requirement that GLP enter into a satellite construction contract within one year of receiving its authorization. GLP's Emergency Application for Review and Request for Stay of that decision are pending before the Commission.

GLP has been operating as a debtor-in-possession since it filed for Chapter 11 reorganization in the U.S. Bankruptcy Court in Delaware on February 15, 2002. At a hearing on November 20, 2003, the Bankruptcy Court approved the Section 363 asset sale process under which substantially all GLP's assets will be transferred to New Operating Globalstar LLC ("NGLLC"), which will ultimately be owned by affiliates of Thermo Capital Partners, L.L.C. ("Thermo") and the unsecured creditors of GLP.

The Asset Contribution Agreement among the parties calls for two transactions, a "Contribution" transaction and, following the satisfaction of certain conditions, including regulatory approvals for transfer of FCC licenses, an "Interest Acquisition" transaction. On December 5, 2003, GLP contributed its hard assets, not including interests in FCC licenses and authorizations, to Globalstar Holdings LLC ("Globalstar Holdings") in exchange for 93.4 percent of the membership interests in that company. Globalstar Holdings, in turn, transferred the GLP assets plus \$0.5 million to NGLLC in exchange for 91.23 percent of the membership interests in NGLLC. The executive officers of GLP are also the executive officers of NGLLC. Thermo contributed cash to Globalstar Holdings and NGLLC and received, respectively, 6.6 percent and 8.77 percent of the membership interests in those companies and two seats on the board of directors of NGLLC.

After all other conditions to closing, including regulatory approvals, have been satisfied, the Interest Acquisition transaction will occur. At that time, all of GLP's interests in FCC licensees will be transferred to NGLLC, and the parties will also execute amended and restated limited liability company agreements under which Thermo will hold, directly and indirectly, 81.25 percent of NGLLC, which will become the holder of all current FCC licenses related to the Globalstar MSS system.

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<sup>2</sup> *Globalstar, L.P.*, DA 03-328, 18 FCC Rcd 1249 (Int'l Bur. 2003).

The remaining 18.75 percent of NGLLC will be held by GLP for later distribution to its creditors. Thermo will also contribute a total of \$43 million in cash equity for NGLLC, less cash amounts previously contributed, in order to sustain and grow the Globalstar business. Affiliates of Thermo will hold 99% of the membership interests in Globalstar Holdings, and GLP will hold 1%. It is anticipated that, in 2004, GLP will distribute its membership interests in NGLLC and Globalstar Holdings to the creditors of GLP, in accordance with the bankruptcy plan for GLP approved by the Bankruptcy Court. GLP will eventually be dissolved.

Accordingly, after consummation of the Interest Acquisition transaction, NGLLC will hold GLP's existing interests in FCC licenses associated with the Globalstar MSS system and will succeed to GLP's interests in the 2 GHz MSS licenses and applications as well. To the extent that GLP holds interests in the 2 GHz MSS licenses and applications, NGLLC will be substituted as the licensee and applicant. Following the Interest Acquisition transaction, additional information will be provided as appropriate with respect to the 2 GHz MSS licenses and applications.


Should there be any questions regarding this matter, please contact the undersigned.

Respectfully submitted,

GLOBALSTAR, L.P.

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William D. Wallace

Its Attorneys

CERTIFICATE OF SERVICE

I, William D. Wallace, hereby certify that I have on this 22<sup>nd</sup> day of December, 2003, caused to be served true and correct copies of the foregoing "Letter" upon the following persons via hand delivery (marked with an asterisk (\*)) or first-class United States mail, postage prepaid:

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A handwritten signature in cursive script, appearing to read "D. Wallace", is written above a solid horizontal line.

William D. Wallace