

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matters of)	
)	
EchoStar Satellite LLC)	File Nos. SAT-STA-20050321-00068
)	Call Sign: S2621
Application for Special Temporary Authority)	
to Conduct Telemetry, Tracking, and Command)	
Operations during the Relocation of EchoStar 4)	
To the 77° W.L. Orbital Location;)	
)	
EchoStar Satellite LLC)	File Nos. SAT-STA-20060126-00010
)	SAT-STA-20060303-00020
Special Temporary Authority to Conduct Tracking,)	SAT-STA-20060331-00037
Telemetry, and Command Necessary to Maintain)	
the EchoStar 4 satellite at the 77° W.L. Orbital Location)	
)	
EchoStar Satellite LLC)	File Nos. SES-LFS-20050701-00852
)	SES-AMD-20051118-01603
Application for Blanket Authorization Of 1,000,000)	Call Sign: E050196
Receive-Only Earth Stations to Provide DBS Service)	
in the U.S. Using the Mexican-Authorized Satellite)	
EchoStar 4 at 77° W.L.)	

ORDER AND AUTHORIZATION

Adopted: April 18, 2006

Released: April 18, 2006

By the Chief, Satellite Division, International Bureau:

I. INTRODUCTION

1. In this Order, we grant in part the request for special temporary authority filed by EchoStar Satellite LLC (EchoStar) insofar as it seeks authority to transfer control of EchoStar 4 to QuetzSat, S. de R.L. de C.V. (QuetzSat) in connection with the operation of the satellite at the 77° W.L. orbital location.¹ QuetzSat holds a concession from Mexico to operate a satellite at the 77° W.L. orbital location, and would control the satellite pursuant to that concession.² By this action, we support cooperation between U.S. and Mexican satellite operators in meeting capacity needs. We also grant an application for blanket authorization of 1,000,000 receive-only earth stations that will allow EchoStar to provide DBS service in the U.S. using the Mexican-authorized satellite EchoStar 4 at 77° W.L.

¹ File No. SAT-STA-20050321-00068 ("EchoStar STA Request"). The portion of the STA requesting authority to move EchoStar 4 to the 77° W.L. orbital position is moot in light of a separate action, granted on July 6, 2005, under File No. SAT-STA-20050701-00142, as described in detail below.

² QuetzSat, a Mexican entity, obtained the concession from the Mexican Secretariat of Communications and Transportation (SCT) on February 2, 2005.

II. BACKGROUND

A. The Transaction Between EchoStar and SES

2. Under an agreement between EchoStar and SES GLOBAL Latin America, S.A. and SES GLOBAL, S.A. (collectively SES), EchoStar has agreed to move the EchoStar 4 satellite to the 77° W.L. orbital location, subject to necessary governmental approvals, pending the launch and placement of a new satellite (QuetzSat 1) at the 77° W.L. orbital location. The agreement provides that the service term for EchoStar 4 at the 77° W.L. orbital location will run from the date that EchoStar 4 begins service at the 77° W.L. orbital location (the "in-service" date) until the earliest of: (1) the End-of-Life of EchoStar 4; (2) the date that EchoStar 4 fails; (3) the in-service date of QuetzSat 1 at the orbital location; (4) the date that EchoStar removes EchoStar 4 from the 77° W.L. location to replace capacity of its fleet lost due to catastrophic failure in its fleet; or, (5) upon certain events related to the future operations of QuetzSat 1.

3. The agreement contemplates that, once EchoStar 4 is at the 77° W.L. orbital location, it will be under the direction and control of SES/QuetzSat. EchoStar will perform telemetry, tracking, and control functions, under the direction and control of SES/QuetzSat, for the entire Service Term at the 77° W.L. orbital location.

B. Procedural History

4. EchoStar filed its STA Request on March 21, 2005. On May 13, 2005, EchoStar also filed a request to modify its authorization for the 157° W.L. orbital location, so that, despite the removal of the EchoStar 4 satellite from that location, EchoStar's license would not automatically lapse.³ On May 23, 2005, the comment period closed on the EchoStar STA request. The only comment filed was a letter from DIRECTV dated May 4, 2005, requesting additional technical information concerning the planned operations of EchoStar 4 at the 77° W.L. orbital position. EchoStar filed a response providing additional information on May 10, 2005. On May 27, 2005, EchoStar filed a request to modify an earth station authorization to list the EchoStar 4 satellite at the 77° W.L. orbital location as an authorized point of communication. On June 3, 2005, the International Bureau (Bureau) denied EchoStar's STA Request and dismissed both the application to permit long-term cessation and the application for modification of earth station authorization.⁴ The Bureau concluded that moving EchoStar 4 to the 77° W.L. orbital location to meet an ITU deadline was not a sufficient public interest reason to grant the request.⁵

5. On June 8, 2005, EchoStar filed its petition for reconsideration of the Bureau's *Denial Order*. The petition for reconsideration noted that (1) the Secretaria de Comunicaciones y Transportes (SCT) would grant a license to QuetzSat Directo, an affiliate of SES GLOBAL Latin America S.A., to provide Direct-to-Home (DTH) service to the Mexican public from EchoStar 4, and (2) that EchoStar 4 could provide service to parts of the U.S. as well. On June 9, 2005, Mexico's SCT and Comision Federal de Telecomunicaciones (COFETEL) submitted a letter supporting EchoStar's request.⁶ EchoStar then filed a Supplement to the Petition for Reconsideration on June 14, 2005. On June 14, 2005, EchoStar also filed an STA request to begin drifting EchoStar 4 from its licensed position at 157° W.L. toward the 61.35°

³ See 47 C.F.R. § 25.161(c) (providing for the automatic termination of a station authorization upon "[t]he removal or modification of the facilities which renders the station not operational for more than 90 days, unless specific authority is requested").

⁴ EchoStar Satellite LLC, *Memorandum Opinion and Order*, DA 05-1581 (rel. June 3, 2005) (*Denial Order*).

⁵ *Denial Order* at ¶ 6.

⁶ Letter from Jorge Alvarez Hoth, Subsecretario de Comunicaciones, SCT and Jorge Aredondo Martinez, Presidente, COFETEL to Kevin J. Martin, Chairman, FCC (June 9, 2005).

W.L. orbital position.⁷ The Bureau granted this request on June 17, 2005. DIRECTV filed comments on the Petition for Reconsideration on June 20, 2005, and EchoStar replied to DIRECTV's comments on June 22, 2005. On July 1, 2005, EchoStar filed a second Supplement to the Petition for Reconsideration and filed an application for blanket receive-only earth station authorization, to receive signals from the EchoStar 4 satellite at the 77° W.L. orbital location to provide DTH service to U.S. subscribers.⁸ Also on July 1, 2005, EchoStar filed a request to alter the drift of EchoStar 4, and to place it at the 77° W.L. orbital location and operate it under a U.S. license pending action on the STA Request. This July 1, 2005 request was granted on July 6, 2005.⁹

6. On July 20, 2005, the Bureau reinstated EchoStar's request to transfer control of the operation of EchoStar 4 at the 77° W.L. orbital location to QuetzSat.¹⁰ The Bureau also reinstated EchoStar's application for modification of the EchoStar 4 space station license and the application for modification of an earth station authorization, concluding that the additional information provided in the petition for reconsideration warranted further consideration of the three applications.¹¹ DIRECTV filed comments on August 26, 2005, to which EchoStar replied on September 6, 2005.¹² On September 21, 2005, EchoStar withdrew the modification application and relinquished the underlying space station authorization¹³ that allowed EchoStar 4 to operate at the 157° W.L. orbital location on channels 1, 7, and 11. On November 18, 2005, EchoStar filed an amendment to its blanket earth station application to include an orbital debris mitigation plan.¹⁴ On December 1, 2005, Mexico's SCT issued a concession to QuetzSat Directo to provide DTH service to the Mexican public from EchoStar 4.¹⁵

III. DISCUSSION

7. We find that both EchoStar's STA request and request for a blanket earth station authorization are in the public interest. In order to grant a request for authority, the Commission must find that such a grant would serve the public interest.¹⁶ When EchoStar submitted the STA Request,

⁷ SAT-STA-20050614-00124.

⁸ File No. SES-LFS-20050701-00852.

⁹ SAT-STA-20050701-00142, for a 30-day period. This STA has since been renewed. See Stamp Grant, SAT-STA-20050803-00157 (granted August 5, 2005), Stamp Grant, SAT-STA-20050826-00167 (granted September 10, 2005), and Stamp Grant, SAT-STA-20051018-00202 (granted October 27, 2005). See also SAT-STA-20051027-00207, SAT-STA-20051128-00255, and SAT-STA-20051222-00268 (requesting further renewals of this STA grant).

¹⁰ EchoStar Satellite LLC, *Order on Reconsideration*, DA 05-2067 (*Reconsideration Order*).

¹¹ *Id.*

¹² Comments of DIRECTV Enterprises, LLC, filed August 26, 2005; EchoStar Satellite L.L.C. Reply Comments, filed September 6, 2005. In its comments, DIRECTV states that even though EchoStar 4's location at 77° W.L. is within 4.5 degrees of DIRECTV's current satellite at 72.5° W.L., neither its satellite nor EchoStar 4 is capable of operating on all 32 DBS channels. DIRECTV states that as long as it can coordinate with EchoStar 4, there should be no interference concern in this particular circumstance even though DIRECTV generally opposes DBS satellites being separated by only 4.5 degrees. EchoStar responds that it is optimistic that an informal agreement can be reached with DIRECTV concerning the operation of EchoStar 4 at 77° W.L.

¹³ See File No. SAT-MOD-20031219-00372.

¹⁴ File No. SES-AMD-20051118-01603.

¹⁵ See *Concesión par instalar, operar y explotar una red pública de telecomunicaciones, que otorga el Gobierno Federal por conducto de la Secretaria de Comunicaciones y Transportes, en lo sucesivo la Secretaria, a favor de QUETZSAT DIRECTO, S. DE R.L. DE C.V., al tenor de siguientes antecedentes y condiciones*, dated December 1, 2005 (QuetzSat Directo Concession).

¹⁶ 47 U.S.C. § 309; 47 C.F.R. § 25.120.

EchoStar proposed to relocate the EchoStar 4 satellite to 77° W.L. but did not propose to provide service to the United States. EchoStar 4 was also unable to provide DTH service to Mexico, since further authorization from the Mexican government would have been required before service to Mexico could be provided. Further information is now available to indicate that EchoStar 4 will be able to provide service to both the United States and Mexico from the 77° W.L. orbital location.

8. Issuing authorizations that will facilitate consumers receiving transmissions from EchoStar 4 at the 77° W.L. orbital location could serve the public interest by providing service to areas in the Southern U.S., including additional Spanish language programming to areas with significant Spanish-speaking populations.¹⁷ This authorization is consistent with the Commission's action in the *DIRECTV 5 Order*.¹⁸ Moving the DIRECTV 5 satellite to the 72.5° W.L. orbital location was determined to be in the public interest because of the benefits associated with increasing the number of U.S. markets able to receive local-into-local programming.¹⁹ We further note that in EchoStar 4's case, the U.S. and Mexico have a relevant bilateral agreement in place related to the provision of DTH services.²⁰

9. *Exchange of Letters with SCT.* We have exchanged letters with SCT in order to ensure that there is a mutual understanding regarding the operation of the EchoStar 4 satellite. The understandings, and the factual background for these understandings, are provided as Annex A and are material considerations for the authorization contained in this Order. In general, the exchange of letters indicates that EchoStar 4 space station operations at the 77° W.L. orbital location will be pursuant to authorization of QuetzSat by SCT.

IV. CONCLUSION AND ORDERING CLAUSES

10. Based on the foregoing, we find that the granting of EchoStar's application will serve the public interest by providing additional competitive telecommunications services in both the U.S. and Mexico.

11. Accordingly, IT IS ORDERED, that EchoStar Satellite L.L.C.'s application, File No. SAT-STA-20050321-00068 (Call Sign S2621), IS GRANTED, and EchoStar Satellite L.L.C. is authorized to transfer control of EchoStar 4 to QuetzSat, S. de R.L. de C.V.

12. IT IS FURTHER ORDERED that the applications for Special Temporary Authority to operate Telemetry, Tracking, and Command necessary to maintain the EchoStar 4 satellite at the 77° W.L. orbital location, File Nos. SAT-STA-20060126-00010, SAT-STA-20060303-00020, and SAT-STA-

¹⁷ See EchoStar Supplement to Petition for Reconsideration, at 5.

¹⁸ DIRECTV, Inc., *Order and Authorization*, 19 FCC Rcd 15529 (2004) (*DIRECTV 5 Order*).

¹⁹ *Id.* at ¶ 8.

²⁰ Agreement between the Government of the United States of America and the Government of the United Mexican States Concerning the Transmission and Reception from Satellites for the Provision of Satellite Services to Users in the United States of America and the United Mexican States, April 28, 1996, Article I and Protocol Concerning the Transmission and Reception of Signals from Satellites for the Provision of Direct-to-Home Satellite Services in the United States of America and the United Mexican States, November 8, 1996. Generally, in evaluating requests by U.S. earth station operators to access a non-U.S.-licensed space station, the Commission adopted a public interest framework that considers the effect on competition in the United States and assesses reciprocal "market access" to the other nation by the U.S. See Amendment of the Commission's Regulatory Policies to Allow Non-U.S. Licensed Satellites Providing Domestic and International Service in the U.S., *Report and Order*, IB Docket No. 96-111, 12 FCC Rcd 24094, 24107-56 (¶¶ 30-145) (1997) (*DISCO II*). However, *DISCO II* contemplates that a bilateral agreement, as is present here, ". . . acts as a gateway to, and a guarantee of, increased competition in the two countries at both ends of the agreement." *DISCO II*, 12 FCC Rcd at 24157 (para. 143). Thus no further market access analysis is required.

20060331-00037, ARE GRANTED.

13. IT IS FURTHER ORDERED, that, pursuant to Section 25.137 (c) of the Commission's rules, the application of EchoStar Satellite L.L.C. File No. SES-LFS-20050701-00852 (Call Sign E050196), as amended by File No. SES-AMD-20051118-01603, IS GRANTED, and EchoStar Satellite L.L.C. IS AUTHORIZED to use 1,000,000 receive-only Earth stations to receive transmissions in the 12.2-12.7 GHz frequency band from the EchoStar 4 satellite at the 77° W.L. orbital location, which is authorized to QuetzSat, S. de R.L. de C.V. by SCT, consistent with the technical parameters specified in its application, and subject to the following condition:

Operations shall be consistent with applicable coordination agreements; to the extent such agreements have not been reached, operations:

- a) shall not exceed, under any conditions and taking into account all variations in satellite attitude, the parameters specified in Attachment A of the Letter, dated May 10, 2005, from Pantelis Michalopoulos to the Secretary, FCC,
- b) shall be on a non-harmful interference basis, i.e., operations of the EchoStar 4 satellite shall not cause interference to, and shall not claim protection from, interference caused to it by any other lawfully operating satellites.

14. EchoStar Satellite LLC is afforded thirty days to decline this authorization as conditioned. Failure to respond within this period will constitute formal acceptance of the authorizations as conditioned.

15. This Order is issued pursuant to Section 0.261 of the Commission's rules, 47 C.F.R. §0.261 and is effective upon release.

FEDERAL COMMUNICATIONS COMMISSION



Robert G. Nelson
Chief, Satellite Division
International Bureau

Appendix A



International Bureau

Federal Communications Commission
Washington, DC 20554

November 16, 2005

Leonel López Celaya
Dirección General de Política de Telecomunicaciones
Secretaría de Comunicaciones y Transportes
Av. Xola y Av. Universidad
Centro SCOP, Cuerpo B, 6º piso,
Narvarte, 03020 Mexico, D.F. Mexico

Ing. Fernando Carrillo Valderrábano
Dirección General de Organismos de Regulación Internacional,
Coordinación General de Asuntos Internacionales
Comisión Federal de Telecomunicaciones
Bosque de Radiatas 44, 4 piso Ala Poniente
Bosques de las Lomas, 05120 Mexico, D.F. Mexico

Re: Operations of the EchoStar 4 Space Station.

Dear Mr. López and Mr. Carrillo:

This letter is to confirm the informal understandings of the Federal Communications Commission (FCC) and the Secretaría de Comunicaciones y Transportes ("SCT"), represented by the Subsecretaría de Comunicaciones and the Comisión Federal de Telecomunicaciones, concerning certain technical issues involved in the operation of a Broadcasting-Satellite Service (BSS) satellite, known as EchoStar 4, pursuant to an agreement between EchoStar Satellite LLC (EchoStar) and SES GLOBAL Latin America, S.A. and SES GLOBAL, S.A. (collectively SES). The following explanation is derived from the agreement.

The Transaction between EchoStar and SES

Under an agreement between EchoStar and SES, EchoStar has agreed to move the EchoStar 4 satellite to the 77° W.L. orbital location,¹ subject to necessary governmental approvals, pending the launch and placement of a new satellite (QuetzSat 1) at the 77° W.L. orbital location. The agreement provides that the Service Term for EchoStar 4 at

¹ The term "77° W.L. orbital location," refers to the nominal orbital position for the relevant Mexican frequency assignment under the ITU Region 2 Plan for BSS and Feeder Link Assignments, as contained in Appendix 30/30A of the Radio Regulations, and to any specific orbital location within the cluster defined by such assignment.

the 77° W.L. orbital location will run from the date that EchoStar 4 begins service at the 77° W.L. orbital location (the "in-service" date) until the earliest of: (1) the End-of-Life of EchoStar 4; (2) the date that EchoStar 4 fails; (3) the in-service date of QuetzSat 1 at the orbital location; (4) the date that EchoStar removes EchoStar 4 from the 77° W.L. location to replace capacity of its fleet lost due to catastrophic failure in its fleet; or, (5) upon certain events related to the future operations of QuetzSat 1.

The agreement contemplates that, once EchoStar 4 is at the 77° W.L. orbital location, it will be under the direction and control of SES/Quetzsat.² EchoStar will perform telemetry, tracking, and control functions, under the direction and control of SES/Quetzsat, for the entire Service Term at the 77° W.L. orbital location.

On February 2, 2005, SCT provided QuetzSat with a concession to develop and operate a BSS/FSS space station at the 77° W.L. orbital location (the "Concession"). EchoStar has filed with the FCC a request for authorization to move the EchoStar 4 satellite from the 157° W.L. orbital location to the 77° W.L. orbital location, where control of the satellite will pass to Quetzsat (the "Full Authorization"). EchoStar also filed, and the FCC granted, a request to drift the EchoStar 4 satellite from the 157° W.L. orbital location to the 61.5° W.L. orbital location. Subsequently, EchoStar filed, and the FCC granted, a request to alter the drift of the EchoStar 4 satellite in order to position it at the 77° W.L. orbital location, and to operate the satellite at that location pursuant to U.S. authorization (the "Interim Authorization"). The EchoStar 4 satellite is currently operating at the 77° W.L. orbital location pursuant to the Interim Authorization.

Informal Understandings between SCT and the FCC on certain technical issues concerning operation of EchoStar 4

It is my understanding that our agencies have concurred on the following technical issues concerning the operation of EchoStar 4:

1. In the event the FCC approves the Full Authorization, the EchoStar 4 spacecraft will operate at the 77° W.L. location subject to Mexican authority. Because this location is a modification, notified by the Mexican Administration, to the Region 2 Plan of Appendix 30 /30A of the ITU Radio Regulations, the Mexican administration will have responsibility for compliance with the ITU Radio Regulations (including the requirement for licensing as specified in Article 18.1 of the Radio Regulations, and any applicable agreement-seeking procedures) in connection with operation of the EchoStar 4 satellite at the 77° W.L. orbital location.
2. Any operations of the EchoStar 4, other than at the 77° W.L. orbital location, will be subject to issuance of a new authorization by the FCC, including any operations as a result of equipment failure in the satellite that result in the inability

² QuetzSat, S. de R.L. de C.V. (QuetzSat), an affiliate of SES. The agreement indicates that it is intended to bind SES and its affiliates.

to maintain the satellite within ± 0.1 degrees of its assigned position at the 77° W.L. orbital location.

3. SCT will provide the FCC with at least 4 (four) days advance written notice (email with confirmed receipt from the FCC's Chief, International Bureau, Satellite Division, will be considered sufficient) of any planned termination or expiration of the Concession under which the EchoStar 4 satellite will be operating.
4. Consistent with ITU Recommendation S.1003-1, Environmental Protection of the Geostationary-Satellite Orbit, Quetzsat will be obliged under the Concession to maintain, barring catastrophic failure of satellite components, the capability to de-orbit the EchoStar 4 spacecraft, to the minimum perigee altitude specified in such recommendation.

The informal understandings set forth in this letter concerning operation of the EchoStar 4 satellite do not constitute a concurrence by the FCC or the U.S. Administration with any Mexican filings with the ITU Radiocommunication Bureau at the 77° W.L. orbital location under Appendices 30 or 30A of the ITU Radio Regulations. It is my understanding that the FCC and SCT will, separately, and as part of the agreement-seeking process applicable under the ITU Radio Regulations, work in good faith to complete that process, insofar as necessary, in connection with the operation of the EchoStar 4 satellite or any other satellite at the 77° W.L. orbital location.

This exchange of letters does not constitute approval of the Full Authorization or any other application related to the relocation of the EchoStar4 satellite to the 77° W.L. orbital location.

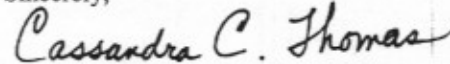
In the event of the failure of the EchoStar 4 satellite, and upon the exercise by EchoStar of its contractual rights to move the satellite, and in the event that there are any provisions in the Concession, or any provisions in the Mexican laws and regulations governing the telecommunications operations of EchoStar that would preclude or otherwise limit the exercise of EchoStar's contractual rights within the time frames specified in the EchoStar/SES agreement, the FCC would appreciate the opportunity to consult with SCT prior to any exercise of such licensing authority or application of such law or regulation by SCT. I would appreciate acknowledgement of these views and expression of any views which SCT may have concerning the matter discussed in this paragraph. Let me also express the FCC's willingness to discuss this matter further, in the event, at a later date, it becomes necessary to do so.

Lastly, all notices, inquiries, and correspondence from SCT concerning these matters should be directed to the Satellite Division, International Bureau (phone number 202.418.0719) (email Cassandra.Thomas@fcc.gov, with a copy to Karl.Kensinger@fcc.gov), on the part of the FCC. The FCC will forward all notices, inquires, and correspondence concerning these matters to the Dirección General de

Organismos de Regulación Internacional, Coordinación General de Asuntos Internacionales (phone number 5255.1253.4215) (e-mail carrillo@cft.gob.mx), on the part of SCT. Please let us know if this address subsequently changes.

If the foregoing corresponds to your understanding of the informal arrangements between our two agencies concerning the various technical issues involved in the operation of EchoStar 4, please confirm by return letter. Thank you.

Sincerely,



Cassandra C. Thomas
Acting Chief
Satellite Division

cc: David K. Moskowitz, Esq.
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DE TELECOMUNICACIONES
DIRECCION GENERAL DE ORGANISMOS DE
REGULACION INTERNACIONAL

112. 5718

México, D.F. a 21 de Noviembre de 2005.

Sra. Cassandra C. Thomas
Acting Chief, Satellite Division, International Bureau
Federal Communications Commission
445 Calle 12, S.O.
Washington, D.C. 20554
Estados Unidos de América

Ref.: Operaciones de la Estación Espacial EchoStar 4.

Nos referimos a su carta fechada el 16 de noviembre de 2005, mediante la cual se confirma de manera informal el entendimiento entre la Secretaría de Comunicaciones y Transportes (la Secretaría) y la *Federal Communications Commission* (la FCC) respecto de ciertos asuntos técnicos relacionados con la operación del satélite conocido como EchoStar 4 en la posición orbital 77° W de conformidad con la concesión otorgada a la empresa mexicana Quetzsat, S. de R.L. de C.V. (Quetzsat), según el acuerdo entre la empresa EchoStar Satellite LLC (EchoStar) y las empresas SES GLOBAL Latin America, S.A. y SES GLOBAL, S.A. (conjuntamente SES).

En este sentido, le informamos que esta administración coincide con su apreciación en lo que respecta a la definición del término denominado Periodo de Servicio y a las condiciones aplicables en los diferentes casos de terminación del mismo, así como en lo que respecta a la responsabilidad de EchoStar de llevar a cabo las funciones de rastreo, telemetría y comando para el satélite EchoStar 4, bajo la dirección y control de SES/Quetzsat durante todo el Periodo de Servicio en la posición orbital 77° O.

Del mismo modo, confirmamos que la empresa mexicana Quetzsat cuenta con una concesión que le permite ocupar la posición orbital 77° Oeste y explotar sus bandas de frecuencias asociadas, otorgada por esta Secretaría el 2 de febrero de 2005. Dicha concesión le permite a Quetzsat ofrecer capacidad satelital para la conducción de señales del Servicio de Radiodifusión por Satélite (SRS) y del Servicio Fijo por Satélite (SFS) a cualquier empresa o persona mexicana que cuente con una concesión de red pública de telecomunicaciones o un permiso para estaciones terrenas que les autorice hacer uso de dicha capacidad satelital para el SRS o para el SFS.

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Adicionalmente, es importante señalar que la concesión de Quetzsat le obliga a ofrecer capacidad satelital reservada al Estado para servicios de seguridad pública y cobertura social, en particular para la provisión de servicios de banda ancha en zonas rurales en todo el país.

Entendemos también que inicialmente EchoStar ha solicitado ante esa FCC una autorización para trasladar el satélite EchoStar 4 de la posición orbital 157° O a la posición 77° O donde el control del satélite pasará a Quetzsat (la Autorización Completa), y que además ha solicitado y ha obtenido de la FCC, autorización para trasladar dicho satélite de la posición 157° O a la posición 61.5° O. Asimismo, entendemos que posteriormente EchoStar solicitó y obtuvo de la FCC autorización para alterar el desplazamiento del satélite EchoStar 4 de tal modo que éste se ubique y opere desde la posición 77° O (la Autorización Temporal). De igual manera, confirmamos que el satélite EchoStar 4 se encuentra operando en la posición 77° O a partir del 9 de julio de 2005..

Asimismo manifestamos nuestro acuerdo respecto de los siguientes aspectos técnicos y que forman parte de un entendimiento informal entre la SCT y la FCC:

1. Una vez que la FCC otorgue la Autorización Completa para la ubicación del satélite EchoStar 4 en la posición 77° O, dicho satélite operará bajo la autoridad de la SCT de conformidad con las disposiciones aplicables del Reglamento de Radiocomunicaciones de la UIT (RR).
2. Cualquier operación fuera de la posición nominal 77° O se llevará a cabo sujeta a la autoridad de la FCC.
3. En caso de la expiración o terminación anticipada de la concesión para ocupar la posición 77° O otorgada a Quetzsat, la SCT dará aviso por escrito a la FCC con al menos 4 días de antelación.
4. Consistente con la Recomendación S.1003-1 de la UIT, Quetzsat estará obligado mediante la Concesión a mantener la capacidad de de-comisionar el satélite EchoStar 4, salvo en caso de falla catastrófica de los componentes del satélite, a la altitud mínima de perigeo especificada en dicha recomendación.

Asimismo, coincidimos con lo expresado en el sentido de que el entendimiento informal contenido en esta carta no constituye ningún acuerdo entre la Administración de los EUA y la Administración de México respecto de cualquier trámite ante la Oficina de Radiocomunicaciones de la UIT relativos a la posición 77° O bajo los Apéndices 30 y 30A del RR. De igual manera coincidimos que cualquier proceso relativo a la obtención de subsecuentes acuerdos de coordinación entre ambas administraciones, que en su caso sean necesarios, relacionados con la operación del satélite EchoStar 4 ó cualquier otro satélite en la posición 77° O, será tratado de manera separada entre la FCC y la SCT.

Entendemos también que este intercambio de cartas no constituye autorización alguna por parte de esa FCC a EchoStar respecto de la reubicación del satélite EchoStar 4 en la posición 77° O.

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Y
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Confirmamos a la FCC que la aplicación de nuestras leyes y regulaciones, incluyendo las obligaciones internacionales de nuestra administración, en lo que respecta a la ocupación de la posición 77° O, se encuentra gobernada por la concesión que ha sido otorgada a la empresa Quetzsat, cuyas condiciones son aplicables exclusivamente a Quetzsat y no así a ninguna otra empresa, ya sea mexicana o extranjera. Por lo tanto, para el caso que nos ocupa ninguna disposición en la concesión, en nuestras leyes o en nuestra regulación puede ser aplicada para impedir o limitar de manera directa a EchoStar para ejercer sus derechos contractuales con SES.

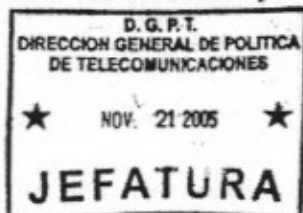
En lo que respecta a notificaciones, consultas y correspondencia entre nuestras agencias, tomamos nota de los datos de contacto en la FCC y confirmamos los correspondientes datos de contacto en la SCT.

Finalmente, me permito expresar que lo contenido en su carta, en conjunto con lo arriba indicado, corresponde con lo que nosotros entendemos respecto del acuerdo informal entre nuestras respectivas entidades en lo relativo a los varios aspectos técnicos derivados de la operación del satélite EchoStar 4.

Atentamente,

Ing. Leonel López Celaya
Director General de Política de
Telecomunicaciones de la
Secretaría de Comunicaciones y Transportes

Ing. Fernando Garrillo Valderrábano
Director General de Organismos de
Regulación Internacional de la
Comisión Federal de Telecomunicaciones



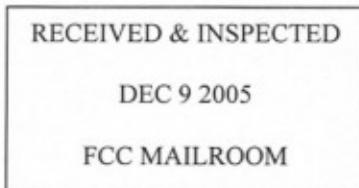
c.c.p.: Sr. Jorge Álvarez Hoth - Subsecretario de Comunicaciones SCT
Sr. Jorge Arredondo Martínez - Presidente COFETEL
Sr. Ricardo Ríos Ferrer - Representante Legal de Quetzsat, S. de R.L. de C.V.

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[N.B.: This english translation is provided by the FCC as an aid to english speakers in understanding the preceding letter from Mexico. This translation has not been reviewed or approved by either the SCT or COFETEL.]

[seal:] MEXICAN UNITED STATES
SECRETARIAT OF COMMUNICATION
& TRANSPORTATION

FORM C.G.2



UNDERSECRETARY OF COMMUNICATIONS
TELECOMMUNICATIONS POLICY DIVISION

COORDINATION OF INTERNATIONAL
MATTERS OF THE FEDERAL
COMMUNICATIONS COMMISSION
DIVISION OF INTERNATIONAL
REGULATIONS OF AGENCIES

112. **5718**

Mexico, D.F., November 21, 2005

Ms. Cassandra C. Thomas
Acting Chief, Satellite Division
International Bureau
Federal Communications Commission
445 12th Street SW
Washington, D.C. 20554
U.S.A.

Re: Operations of EchoStar 4 Space Station

We make reference to your letter dated the 16th of November of 2005 in which you informally confirm the understanding between the Secretariat of Communications and Transportation (the Secretariat) and the Federal Communications Commission (the FCC) with respect to certain technical matters related to the operation of the satellite known as EchoStar 4 in orbital position 77° W.L. pursuant to the license granted the Mexican company Quetzsat, S de R.L. de C.V. (Quetzsat), in accordance with the agreement between the company Echo Star Satellite LLC (EchoStar) and the companies SES GLOBAL Latin America, S.A. and SES GLOBAL, S.A. (jointly SES).

In this regard, this Administration wishes to inform you that it concurs with your appraisal regarding the definition of the term Service Period and the conditions applicable to the different cases of termination thereof; we also concur with respect to EchoStar's responsibility to perform the duties of tracking, telemetry and control for the EchoStar 4 satellite, under the direction and control of SES/Quetzsat during the entire Service Period in orbital position 77° W.L.

Similarly, we confirm that the Mexican company Quetzsat has a concession that allows it to occupy orbital position 77° W.L. and to exploit the associated frequency bands, granted by this Secretariat on the 2nd of February of 2005. Said concession allows Quetzsat to offer satellite capability for the conduction of signals of the Broadcasting-Satellite Service (BSS) and of the Fixed-Satellite Service (FSS) to any Mexican company or person that has a public telecommunications network license or a land station permit that authorizes the use of said satellite capability for the BSS or the FSS.

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[seal:] MEXICAN UNITED STATES
SECRETARIAT OF COMMUNICATION
& TRANSPORTATION

Additionally, it is important to point out that Quetzsat's license obligates it to offer satellite capability reserved for the State for services of public safety and social coverage, specifically in order to provide wide band services to rural zones throughout the country.

We also understand that initially EchoStar had requested authorization from the FCC to transfer the EchoStar 4 satellite from orbital position 157° W.L. to position 77° W.L. where control of the satellite would go to Quetzsat (the Complete Authorization) and in addition, it has requested and obtained from the FCC, authorization to move said satellite from position 157° W.L. to position 61.5° W.L. Similarly, we understand that subsequently EchoStar requested and obtained FCC authorization to modify the displacement of the EchoStar 4 satellite in such a way that it would be located and operate from position 77° W.L. (the Temporary Authorization). Similarly, we confirm that the Echo Star 4 satellite has been operating in position 77° W.L. since the 9th of July of 2005.

We also state our agreement with respect to the following technical aspects that form part of the informal understanding between the SCT and FCC:

1. Once the FCC authorizes the Complete Authorization for the EchoStar 4 satellite to be located in position 77° W.L., said satellite will be operating under the authority of the SCT in accordance with the applicable provisions of the ITU Radio Regulations (RR).
2. Any operation outside its normal position of 77° W.L. shall be carried out subject to FCC authority.
3. In the event of expiration or early termination of the license to occupy position 77° W.L. granted to Quetzsat, the SCT will give written notification to the FCC a minimum of 4 days prior to such action.
4. In accordance with Recommendation S.1003-1 of the ITU, Quetzsat will be obligated through its Concession to maintain the capability to decommission the EchoStar 4 satellite, except in the event of a catastrophic failure of the satellite components to the minimum height of perigee specified in said recommendation.

Similarly, we agree with your statements regarding the fact that the informal understanding contained in this letter does not constitute any agreement between the Administration of the U.S.A. and the Administration of Mexico with respect to any matter being processed before the Radiocommunication Bureau of the ITU related to position 77° W.L. under Appendices 30 and 30A of the RR. Additionally, we agree that any procedure related to the obtainment of subsequent coordination agreements between both administrations, should they be needed, related to the operation of the EchoStar 4 satellite or any other satellite in position 77° W.L. shall be treated as a separate matter between the FCC and SCT.

We also understand that this exchange of letters does not constitute any authorization by the FCC to EchoStar with respect to the relocation of the EchoStar 4 satellite to position 77° W.L.

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We confirm to the FCC that the application of our laws and regulations, including the international obligations of our administration, in regard to the occupation of position 77° W.L. is governed by the license that has been granted to the company Quetzsat, conditions which are applicable exclusively to Quetzsat and not to any other company, be it Mexican or foreign. Therefore, in this case there are no provisions in the license, in our laws or in our regulation that may be applied to directly hinder or limit EchoStar from exercising its contractual rights with SES.

With respect to notifications, consultations and correspondence between our agencies, we take note of the contact information for the FCC and confirm the corresponding contact information for the SCT.

Finally, allow me to express that the contents of your letter, together with what has been stated above, correspond to our understanding of the informal agreement between our respective agencies in relation to the various technical aspects related to the operation of the EchoStar 4 satellite.

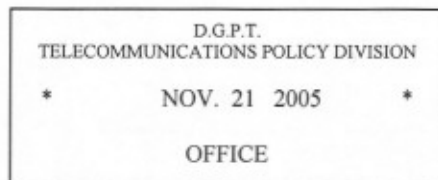
Sincerely,

[Signature- illegible]

Ing. Leonel Lopez Celaya
General Director of
Telecommunications Policy
Secretariat of Communication & Transportation

[Signature- illegible]

Ing. Fernando Carillo Valderrabano
General Director of International
Regulation of Agencies
Federal Telecommunications Commission



CC: Mr. Jorge Alvarez Hoth - Deputy Secretary of Communications SCT
Mr. Jorge Arredondo Martinez - President COFETEL
Mr. Ricardo Rios Ferrer - Legal Representative of Quetzsat, S. de R.L. of C.V.

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