

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

FILED/ACCEPTED

DEC 18 2006

Federal Communications Commission
Office of the Secretary

_____)
In the Matter of)
)
DIRECTV ENTERPRISES, LLC)
)
Request for Special Temporary Authority to)
Relocate DIRECTV 1R to 72.5° W.L. and to)
Conduct Telemetry, Tracking and Command)
Operations for an Interim Period)
_____)

File No. SAT-STA-20061213-00149

REQUEST FOR CONFIDENTIAL TREATMENT

DIRECTV Enterprises, LLC¹ (“DIRECTV”) respectfully requests that, pursuant to Sections 0.457 and 0.459 of the Commission’s rules, 47 C.F.R. §§ 0.457 and 0.459, the Commission withhold from public inspection and accord confidential treatment to redacted portions of Amendment No. 1 to the Memorandum of Agreement between DIRECTV and Telesat Canada and the documents attached as Exhibits thereto (collectively, “Amendment 1”), submitted for the International Bureau’s consideration in connection with the above referenced request for special temporary authority (“STA”).² These documents contain sensitive trade secrets, and commercial and financial information that fall within Exemption 4 of the Freedom of Information Act (“FOIA”).³

¹ DIRECTV Enterprises, LLC is a licensee in the high-power Direct Broadcast Satellite (“DBS”) service and a wholly owned subsidiary of The DIRECTV Group, Inc.

² As noted below, these documents have also been submitted by Telesat to Industry Canada, with a request that they be accorded confidential treatment.

³ 5 U.S.C. § 552(b)(4).

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Exemption 4 of FOIA provides that the public disclosure requirement of the statute “does not apply to matters that are . . . (4) trade secrets and commercial or financial information obtained from a person and privileged or confidential.”⁴ DIRECTV is voluntarily providing this trade secret and commercial and financial information “of a kind that would not customarily be released to the public” in conformance with the documentation requested by the Commission staff in connection with similar applications filed previously by DIRECTV;⁵ therefore, this information is “confidential” under Exemption 4 of FOIA.⁶ Moreover, DIRECTV would suffer substantial competitive harm if the Amended MOA were disclosed.⁷

In support of this request and pursuant to Section 0.459(b) of the Commission’s rules,⁸ DIRECTV hereby states as follows:

1. IDENTIFICATION OF THE SPECIFIC INFORMATION FOR WHICH CONFIDENTIAL TREATMENT IS SOUGHT⁹

DIRECTV seeks confidential treatment of those portions of Amendment 1 that were redacted from the version that is being publicly filed in the above referenced proceeding. These portions of Amendment 1 describe the ongoing plan and process of implementing a capacity expansion of DIRECTV’s Ku band DBS satellite system and therefore should be treated in the entirety as a trade secret. In the context of FOIA, a trade secret is defined as “as secret, commercially valuable plan, formula, process, or device that is used for the making, preparing, compounding, or processing of trade commodities and that can be said to be the end product of

⁴ *Id.*

⁵ *See, e.g., DIRECTV Enterprises, LLC*, 19 FCC Rcd. 15529 (Int’l Bur. 2004).

⁶ *See Critical Mass Energy Project v. NRC*, 975 F.2d 871, 879 (D.C. Cir. 1992).

⁷ *See National Parks and Conservation Ass’n v. Morton*, 498 F.2d 765 (D.C. Cir. 1974).

⁸ 47 C.F.R. § 0.459(b).

⁹ 47 C.F.R. § 0.459(b)(1).

FOR PUBLIC INSPECTION

either innovation or substantial effort.”¹⁰ The parties have extensively negotiated the terms of Amendment 1, including capacity leases and terms of the development and construction of a new DBS satellite. The arrangement is unique and competitively sensitive. Furthermore, certain categories of confidential commercial and financial information appear throughout Amendment 1, including without limitation the disclosure of business plans and commercial and financial terms negotiated between the parties.

2. DESCRIPTION OF CIRCUMSTANCES GIVING RISE TO THE SUBMISSION¹¹

Amendment 1 is being submitted to the Commission in conformity with requests for documentation from the staff for purposes of processing nearly identical STA requests filed by DIRECTV over the last two years. DIRECTV has submitted redacted versions of these documents with its publicly filed application, but anticipates that the staff will request to review the entire text as it did in connection with the prior applications.

3. EXPLANATION OF THE DEGREE TO WHICH THE INFORMATION IS COMMERCIAL OR FINANCIAL, OR CONTAINS A TRADE SECRET OR IS PRIVILEGED¹²

The information for which DIRECTV seeks confidential treatment contains sensitive commercial and financial information “which would customarily be guarded from competitors.”¹³ Amendment 1 documents the details of a process by which DIRECTV has secured additional DBS capacity for the operation and expansion of its DBS system and intends to continue that arrangement subject to certain adjustments. In this regard, DIRECTV competes with its DBS competitors in the multichannel programming video distribution (“MVPD”)

¹⁰ *Public Citizen Health Research Group v. FDA*, 704 F.2d 1280, 1288 (D.C. Cir. 1983); *see also, AT&T Information Systems, Inc. v. GSA*, 627 F. Supp. 1396, 1401 n.9 (D.D.C. 1986).

¹¹ 47 C.F.R. § 0.459(b)(2).

¹² 47 C.F.R. § 0.459(b)(3).

¹³ 47 C.F.R. § 0.457.

FOR PUBLIC INSPECTION

marketplace in efforts to find such new satellite capacity for service expansion; Amendment 1 is a unique arrangement to do so, and thus is very sensitive from a commercial standpoint. The information contained in Amendment 1 would not customarily be released by the persons from whom they are obtained and are therefore covered by Exemption 4 of FOIA when, as here, it is submitted by such persons to the Government.

4. EXPLANATION OF THE DEGREE TO WHICH THE INFORMATION CONCERNS A SERVICE THAT IS SUBJECT TO COMPETITION¹⁴

DIRECTV competes in the MVPD marketplace and faces competition from terrestrial and satellite MVPD competitors. U.S. DBS competitors to DIRECTV with deployed U.S. DBS systems include EchoStar Communications Corporation, which appears to be actively in search of new sources of radio frequency capacity that can be used to provide direct-to-home satellite services. In addition, a number of foreign DBS systems have sought or may seek access to U.S. consumers, which will further increase competition to DIRECTV and place further constraints on DIRECTV system capacity.¹⁵

5. EXPLANATION OF HOW DISCLOSURE OF THE INFORMATION COULD RESULT IN SUBSTANTIAL COMPETITIVE HARM¹⁶

Because Amendment 1 details the inter-related steps of a plan and process of developing a valuable source of additional DBS capacity for DIRECTV, the information for which DIRECTV seeks confidential treatment could be used by its competitors in attempts to disrupt the arrangement, causing substantial competitive harm to the DIRECTV business. In addition, if these competitors obtained access to the information for which DIRECTV seeks confidential

¹⁴ 47 C.F.R. § 0.459(b)(4).

¹⁵ See, e.g., *Amendment of the Commission's Policies and Rules for Processing Applications in the Direct Broadcast Satellite Service*, 21 FCC Rcd. 9443 (2006) (discussing the proposed entry of foreign DBS systems into the U.S. MVPD market).

¹⁶ 47 C.F.R. § 0.459(b)(5).

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treatment, they could unfairly benefit from the time and resources that DIRECTV has expended in working towards the implementation of this new source of capacity, and “piggyback” on DIRECTV’s efforts to negotiate similar arrangements.

6. IDENTIFICATION OF ANY MEASURES TAKEN BY THE SUBMITTING PARTY TO PREVENT UNAUTHORIZED DISCLOSURE¹⁷

Amendment 1 contains provisions and Exhibits requiring both parties to maintain the confidentiality of proprietary information, which includes the terms of Amendment 1 itself.¹⁸ Those materials include detailed procedures for use of proprietary information by representatives of both parties and require written consent of the other party for the release of any proprietary information. Upon termination of their agreement, the parties agree to cease use of all proprietary information and return or destroy such proprietary information, including all copies of such information in the possession of the other party.

7. IDENTIFICATION OF WHETHER THE INFORMATION IS AVAILABLE TO THE PUBLIC AND THE EXTENT OF ANY PREVIOUS DISCLOSURE OF THE INFORMATION TO THIRD PARTIES¹⁹

The redacted portions of Amendment 1 submitted today have not previously been disclosed to the public. Accordingly, DIRECTV requests that the Commission accord the information covered by this Request confidential treatment under Sections 0.457 and 0.459 of the Commission’s rules.

¹⁷ 47 C.F.R. § 0.459(b)(6).

¹⁸ *See, e.g.*, Amendment 1, ¶ 10 (ratifying and affirming all aspects of prior agreements not specifically amended) and Exhibit 1, DIRECTV 1R Lease, Schedule 1 ¶ I.2; Original MOA, ¶ 8 and Exhibit A, Confidentiality and Nondisclosure Agreement; Original MOA, Exhibit B, DIRECTV 3 Lease, ¶ 8.1 and Exhibit B thereto; Amended MOA, ¶ 8 (incorporating prior Confidentiality and Nondisclosure Agreement).

¹⁹ 47 C.F.R. § 0.459(b)(7).

FOR PUBLIC INSPECTION

8. JUSTIFICATION OF THE PERIOD DURING WHICH THE SUBMITTING PARTY ASSERTS THAT MATERIAL SHOULD NOT BE AVAILABLE FOR PUBLIC DISCLOSURE²⁰

DIRECTV requests that Amendment 1 be treated as confidential for a period of at least five years. This period matches the nondisclosure commitment of the parties to the agreement, which is market evidence of the time period necessary to protect the confidentiality of competitively sensitive proprietary information contained therein. Therefore, DIRECTV's request for confidential treatment for a period of five years is reasonable.

9. OTHER INFORMATION THAT DIRECTV BELIEVES MAY BE USEFUL IN ASSESSING WHETHER ITS REQUEST FOR CONFIDENTIALITY SHOULD BE GRANTED²¹

Amendment 1 has been submitted to Industry Canada, the Canadian regulator, for purposes of obtaining the regulatory approvals contemplated by that agreement, including the approval to operate the relocated DIRECTV 1R satellite at 72.5° W.L. Telesat has requested confidential treatment for Amendment 1, further underscoring the competitively sensitive nature of that agreement.

Respectfully submitted,



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December 18, 2006

²⁰ 47 C.F.R. § 0.459(b)(8).

²¹ 47 C.F.R. § 0.459(b)(9).

**AMENDMENT No. 1
To The
MEMORANDUM OF AGREEMENT**

THIS Amendment No. 1 ("Amendment 1") to the MEMORANDUM OF AGREEMENT dated 6 October 2005 (the "Agreement") is made in duplicate and entered into as of the 22nd day of November 2006.

BETWEEN: **TELESAT CANADA**, a company incorporated under the laws of Canada, located at 1601 Telesat Court, Gloucester, Ontario K1B 5P4, Canada.

(hereinafter referred to as "Telesat")

AND: **DIRECTV ENTERPRISES, LLC.**, a limited liability company incorporated under the laws of the State of Delaware, located at 2230 East Imperial Highway, El Segundo, California 90245, in the United States of America.

(hereinafter referred to as "DIRECTV")

Telesat and DIRECTV are hereinafter referred to individually as a "Party" or together as the "Parties".

WHEREAS the Parties on December 23, 2003 entered into a Memorandum of Agreement (the "December 2003 MOA") which was subsequently amended and restated on March 10, 2005 (the "March 2005 MOA"), and further amended and restated on October 6, 2005 (the "Agreement");

WHEREAS the Parties have agreed to amend the Agreement as specifically stated herein;

WHEREAS, Telesat desires to lease the DIRECTV 1 Satellite for its use either at the 82 W.L. or 91 W.L. orbital location in order to support its operations and provide services into Canada; and

WHEREAS, DIRECTV desires to extend DIRECTV's Transponder Rights Period through December 31, 2009.

NOW THEREFORE for mutual consideration the receipt and sufficiency of which is hereby acknowledged, the Parties do hereby agree to amend the Agreement as follows:

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1. **New Paragraphs A.2 and A.3:** The Parties agree to delete Paragraphs A.2 and A.3 of the Agreement and to replace it with the following new Paragraphs A.2 and A.3:

"2. Lease of DIRECTV Satellites.

Redacted

- a. DIRECTV 3. The Parties have negotiated and executed the "Satellite Relocation & Lease Agreement", dated as of September 11, 2003, such agreement was superseded completely by a lease dated as of December 23, 2003 a copy of which is attached hereto as Exhibit C (the "DIRECTV 3 Lease Agreement"). The Parties agreed to amend the terms of the DIRECTV 3 Lease Agreement as set out in the Amending Agreement attached to the Agreement as Exhibit D.
- b. DIRECTV 2. DIRECTV has relocated the DIRECTV 2 satellite to the 82° W.L. Telesat Orbital location. The parties shall co-operate to take all actions to maximize the useful life of DIRECTV 2 including but not limited to operating the satellite in inclined orbit if Telesat's service requirements can be achieved. Telesat's use of the DIRECTV 2 satellite shall be until the end of life of the satellite and is pursuant to the lease attached to the Agreement as Exhibit E (the "DIRECTV 2 Lease Agreement").
- c. DIRECTV 1. As soon as possible following the placement into service of a new DIRECTV satellite to be known as DIRECTV 9S at the 101° W.L. orbital location, DIRECTV shall direct its satellite operator to relocate the DIRECTV 1R satellite to the 72.5° W.L. orbital location. Then, after traffic transfer from DIRECTV 1 to DIRECTV 1R, Telesat shall move the DIRECTV 1 satellite to a Telesat Orbital (82° W.L. or 91° W.L.). The relocations of the DIRECTV 1 and DIRECTV 1R satellites shall be subject to the prior approval of the United States and Canadian government authorities. Both Parties agree to use reasonable commercial efforts to obtain such approvals. The Parties shall co-operate to take all actions to maximize the useful life of DIRECTV 1 including but not limited to operating the satellite in inclined orbit if Telesat's service requirements can be achieved. Telesat's use of the DIRECTV 1 satellite shall be, at a minimum, until March 1, 2009, and shall be pursuant to the lease attached hereto as Exhibit 1 (the "DIRECTV 1 Lease Agreement") which the Parties agree to execute concurrently with this Amendment 1.

BMR

3. Relocation and Use of Satellites at 72.5. In order to preserve Canada's ITU priority for the modification to the ITU Plan related to the use of BSS frequencies at the 72.5 Location and thereby permit the use of the 72.5 Location for service into all of Canada and into the United States, Canada was required to meet certain conditions related to the 72.5 Location by July 14, 2005, including having a satellite with certain technical parameters in operation at the 72.5 Location by July 14, 2005. DIRECTV relocated the DIRECTV 5 satellite to the 72.5 Location in order to meet the ITU requirements and subsequently replaced the DIRECTV 5 satellite with the DIRECTV 1 satellite at the 72.5 Location. Pursuant to this Amendment 1, it is the Parties' intention that DIRECTV will replace the DIRECTV 1 satellite at the 72.5 Location with the DIRECTV 1R satellite, and that the DIRECTV 1R satellite will be used by DIRECTV at such location until the end of the Transponder Rights Period as set forth in Section B. Paragraph 2.

It is in an effort to accomplish the foregoing transactions (the "Transactions") that the Parties agree to their individual and joint undertakings described herein. Each Party understands and agrees that neither Party will be required to continue pursuing the Transactions if either Party fails to obtain, or it becomes reasonably certain that a Party will not obtain, the necessary regulatory approvals, licenses and authorizations from various governmental entities in the United States and Canada for the applicable Transaction, as more fully described herein ("Regulatory Approvals") and comply with all applicable requirements of law. Each Party shall be solely responsible for obtaining all of its respective Regulatory Approvals in a timely manner and at its expense (except where otherwise expressly provided for herein) to enable completion of the Transactions, and each Party shall provide the other Party with necessary information and cooperation in the process of seeking Regulatory Approvals."

2. **New Paragraphs B.1.c.:** The Parties agree to delete Paragraph B.1.c and replace it with the following new Paragraph B.1.c:

"c.

Redacted

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3. New Paragraph B.2.a: The Parties agree to delete Paragraph B.2.a of the Agreement and to replace it with the following new Paragraph B.2.a:

"a.

Redacted

Redacted

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Redacted

4. **New Paragraph B.2.d:** The Parties agree to delete Paragraph B.2.d of the Agreement and to replace it with the following new Paragraph B.2.d:

"d.

Redacted

5. **New Paragraph B.3:** The Parties agree to delete Paragraph B.3 of the Agreement and to replace it with the following new Paragraph B.3:

"3. Regulatory Correspondence and Assistance. Telesat agrees that, if, in any future application(s) to regulatory authorities or correspondence or other communications with such authorities about the use of, DIRECTV 2, or DIRECTV 3, or DIRECTV 1, or DIRECTV 1R at a Telesat Orbital, Telesat mentions DIRECTV, Telesat shall obtain the prior written approval of DIRECTV before filing or submitting such material to the regulatory authority."

6. **New Paragraph C.1:** The Parties agree to delete Paragraph C.1 of the Agreement and to replace it with the following new Paragraph C.1:

"1. Lease of DIRECTV Satellites. As set out in Section A. Paragraph 2, the Parties have negotiated and agreed to the DIRECTV 3 Lease Agreement and the DIRECTV 2 Lease Agreement and the DIRECTV 1 Lease Agreement."

7. **Paragraph C.5 Deleted:** The Parties agree to delete Paragraph C.5 from the Agreement.

8. **New Paragraph D.1:** The Parties agree to delete Paragraph D.1 of the Agreement and to replace it with the following new Paragraph D.1:

"1.

Redacted

a.

Redacted

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Redacted

b.

Redacted

9. New Paragraph D.2: The Parties agree to delete Paragraph D.2 of the Agreement and to replace it with the following new Paragraph D.2:

"2.

Redacted

Redacted

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Redacted

10 **Entire Agreement.** This Amendment 1, including the Exhibit attached hereto, constitutes the entire agreement between the Parties, and supersedes and terminates all previous understandings, commitments or representations, concerning the subject matter hereof. Except as otherwise expressly stated in this Amendment 1, the Parties agree that the Agreement remains in full force and effect, and the Parties hereby ratify and affirm the Agreement.

IN WITNESS WHEREOF, each Party has executed this Amendment 1 to the Agreement in duplicate originals, through persons duly authorized to do so on their behalf, as of the date indicated above, notwithstanding the actual dates of execution.

TELESAT CANADA

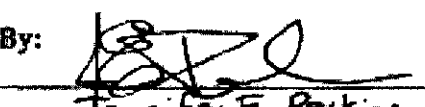
DIRECTV ENTERPRISES, LLC

By: 
Paul D. Bush
Its: V.P. Broadcasting & Corporate Development

By: 
Michael W. Palkovic

Its: Executive Vice President & CFO

Date: Dec 12, 2006

By: 
Jennifer E. Perkins
Its: V.P. Law

Date: Nov. 22, 2006

EXHIBIT 1

DIRECTV 1R LEASE AGREEMENT



TELESAT CANADA

- and -

DIRECTV ENTERPRISES, LLC.

SATELLITE RELOCATION AND LEASE AGREEMENT
For
DIRECTV 1

Dated as of November 22, 2006

CONFIDENTIAL

All information contained in or disclosed by this document is confidential and proprietary to Telesat Canada and DIRECTV Enterprises, LLC. By accepting this material the recipient agrees that this material and the information contained therein will be held in confidence and will not be reproduced in whole or in part except for purposes of this Agreement. It is understood that no right is conveyed to reproduce or have reproduced any item herein contained without express written permission from Telesat Canada or DIRECTV Enterprises, LLC, as the case may be.

CONFIDENTIAL

**Satellite Relocation and Lease Agreement -
DIRECTV 1**

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SCHEDULES:

Schedule 1 Standard Terms and Conditions For Satellite Relocation and Lease Agreement



SATELLITE RELOCATION AND LEASE AGREEMENT - DIRECTV 1

This Satellite Relocation and Lease Agreement dated as of November 22, 2006, between **TELESAT CANADA** ("CUSTOMER"), a corporation continued and existing under the laws of Canada, and **DIRECTV ENTERPRISES, LLC** ("DIRECTV"), a limited liability company incorporated under the laws of the State of Delaware.

WHEREAS

CUSTOMER has agreed to lease, and DIRECTV has agreed to furnish to CUSTOMER, the DIRECTV 1 Satellite at the rates and the other terms and conditions specified herein;

NOW THEREFORE in consideration of the mutual agreements contained in this Agreement and other good and valuable consideration (the receipt and adequacy of which are hereby acknowledged), the Parties agree as follows:

ARTICLE 1.0 – DEFINITIONS AND CONDITION PRECEDENT

1.1 As used in this Agreement and the recitals hereto, the following terms shall have the following meanings:

"Agreement" means this Satellite Relocation and Lease Agreement and all schedules, appendices and instruments in amendment or confirmation of it; "hereof", "hereto", "herein" and "hereunder" and similar expressions mean and refer to this Agreement and not to any particular Article or Section; "Article" or "Section" of this Agreement followed by a number means and refers to the specified Article or Section of this Agreement.

"Authorization" means, with respect to any Person, any authorization, order, permit, approval, forbearance decision, grant, licence, consent, right, franchise, privilege or certificate of any Governmental Entity having jurisdiction over such Person, whether or not having the force of law.

"Bell ExpressVu" means Bell ExpressVu Inc., in its capacity as general partner of Bell ExpressVu Limited Partnership.

"CUSTOMER" means Telesat Canada, a corporation incorporated under the laws of Canada, and its successors and permitted assigns.

"Designated Orbital Location" means either the 82° W.L. orbital position or the 91° W.L. orbital position as determined pursuant to Article 3.3.

"DIRECTV 1 Satellite" means the satellite owned by DIRECTV and operating at the date of this Agreement at the 72.5° W.L. orbital position.

"Effective Date" has the meaning ascribed thereto in Article 1.7.

"Governmental Entity" means any (i) multinational, federal, provincial, state, municipal, local or other government, governmental or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign; (ii) any subdivision, agent, commission, board, or authority of any of the foregoing; or (iii) any quasi-governmental or private body validly exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, in each case in the proper exercise of its governmental authority.

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"Operations Agreement" means the agreement between the Parties for Satellite Operational Services dated June 23, 2004.

"Parties" means DIRECTV, CUSTOMER and any other person who may become party to this Agreement and "Party" means any one of them.

"Person" means an individual, partnership, limited liability company, corporation, joint stock company, trust, unincorporated association, joint venture or other entity or Governmental Entity and pronouns have similarly extended meaning.

"Required Authorizations" means, with respect to each Party, all Authorizations and other notifications, licenses, permits, authorizations, approvals and consents of other Persons required for such Party to consummate the transactions contemplated by, and to perform its obligations under, this Agreement.

"Service Commencement Date" has the meaning ascribed thereto in Article 3.2(b).

"Standard Terms and Conditions" means the standard terms and conditions for the Satellite Relocation and Lease Agreement set forth in Schedule 1.

"Term" has the meaning ascribed thereto in Article 3.2(a).

- 1.2 Capitalized terms used in this Agreement and not otherwise defined in this Agreement have the same meanings as in the Standard Terms and Conditions.
- 1.3 **Gender and Number.** Any reference in this Agreement to gender shall include all genders, and words importing the singular number only shall include the plural and vice versa.
- 1.4 **Entire Agreement.** This Agreement, including Schedules 1 to 3 attached hereto, and the agreements referred to herein or delivered pursuant hereto, supersedes all prior agreements, term sheets, letter of intent, understandings, negotiations and discussions, whether oral or written, of the Parties pertaining to the subject matter hereof, except that this Agreement shall not supersede the Parties' amendment to the Memorandum of Understanding, dated _____, 2006, that addresses Telesat's lease of the DIRECTV 1 satellite. There are no representations, warranties, conditions or other agreements, express or implied, statutory or otherwise, between the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement and the agreements referred to herein or delivered pursuant hereto.
- 1.5 **Amendments.** This Agreement may only be amended, modified or supplemented by a written agreement signed by each of the Parties.
- 1.6 **Incorporation of Schedules.** The schedules attached hereto shall for all purposes hereof form an integral part of this Agreement.
- 1.7 **Condition Precedent.** Notwithstanding anything to the contrary contained herein, including execution of this Agreement by both Parties, this Agreement shall not become effective until both Parties have executed an amendment to the current Memorandum of Agreement, dated 6 October 2005, (the "MOA") with such amendment providing for Telesat's lease of the DIRECTV 1 Satellite

Redacted

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ARTICLE 2.0 – RELOCATION AND OPERATION OF DIRECTV 1 SATELLITE

2.1 Relocation and Operation of Satellite

- (a) DIRECTV shall use reasonable commercial efforts to relocate the DIRECTV 1 Satellite to the Designated Orbital Location. The relocation of the Satellite is subject to: (1) the necessary approvals from the United States government and/or United States regulatory bodies and/or Industry Canada to relocate the DIRECTV 1 Satellite to the Designated Orbital Location and to permit CUSTOMER to operate under Canadian authorization the DIRECTV 1 Satellite from the Designated Orbital Location, and (2) the transfer of DIRECTV's programming traffic from DIRECTV's DIRECTV 1R Satellite to the DIRECTV 95 Satellite at the 101° W.L. orbital position, the relocation of the DIRECTV 1R Satellite to the 72.5° W.L. orbital position, and the transfer of DIRECTV's programming traffic from the DIRECTV 1 Satellite to the DIRECTV 1R Satellite at the 72.5° W.L. orbital position (all of which shall be referred to herein as the "Relocation Condition Precedent"). DIRECTV will use reasonable commercial efforts to satisfy the Relocation Condition Precedent as soon as possible after the execution of this Agreement. CUSTOMER will be responsible for filing any necessary application with and obtaining any necessary consents from Canada's Department of Industry ("Industry Canada") for approval to maintain and operate the DIRECTV 1 Satellite at the Designated Orbital Location and provide service to Canada therefrom, entering any necessary or appropriate coordination agreements, and making any necessary or appropriate ITU filings in connection therewith. Each Party agrees to provide reasonable support to the other in obtaining such approvals and to share with the other in advance copies of any filings that mention the other Party or describe the terms of this Agreement or the relocation of the DIRECTV 1 Satellite.
- (b) It is the intent of the Parties that all actions be taken as expeditiously as possible to relocate the DIRECTV 1 Satellite to the Designated Orbital Location no later than March 1, 2007. Notwithstanding the aforesaid, the relocation will not take place until the Relocation Condition Precedent has occurred. DIRECTV shall use reasonable commercial efforts to relocate the DIRECTV 1 Satellite to the Designated Orbital Location as soon as technically practicable, with the goal of: (i) completing the relocation within thirty (30) days of completion of the Relocation Condition Precedent; and (ii) testing of the DIRECTV 1 Satellite within 5 days of the relocation. Once the DIRECTV 1 Satellite is relocated to the Designated Orbital Location, it shall not be moved to any other location without: (i) obtaining any necessary United States or Canadian Government Entity Required Authorizations; and (ii) the prior written permission of DIRECTV except that DIRECTV's permission shall not be required if the relocation is from the Designated Orbital Location to the 82° W.L. orbital position or the 91° W.L. orbital position, as applicable. In the event such relocation takes place the orbital position that the DIRECTV 1 Satellite is relocated to shall become the Designated Orbital Location. Maintenance of the DIRECTV 1 Satellite at the Designated Orbital Location for the Term hereof is subject to the obligation to de-orbit the DIRECTV 1 Satellite if there is insufficient fuel as set out in Article 5.4 hereof.
- (c) During the period the DIRECTV 1 Satellite is located at the Designated Orbital Location, CUSTOMER shall exercise direction, and control over the use of the DIRECTV 1 Satellite. Telemetry, tracking and control functions shall be performed by CUSTOMER, Redacted, and Customer shall maximize fuel life to extend end-of-life of the Satellite for as long as possible. Customer shall use the same standard of care and prudence in its use and operation of the Satellite as Customer exercises in respect of its own satellites.
- (d) Customer's transmission to and from the Satellite shall comply with all applicable laws, rules, regulations, procedures and orders of Canada and the ITU. Upon reasonable notice, DIRECTV representatives shall be entitled to visit the Telesat operations facility and observe Telesat's operation of the Satellite. The timing and number of representatives attending from DIRECTV shall be mutually agreed to by the Parties.

- (e) Customer shall be responsible for the provision, installation, operation, maintenance and for securing all necessary licenses and/or Authorizations for all earth station facilities and equipment for transmitting signals to, or receiving signals from, the Satellite. Any provision by DIRECTV to Customer of earth station or other terrestrial facilities or services shall be the subject of a separate agreement.

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ARTICLE 3.0 – SERVICE COMMITMENT

3.1 Service Commitment

- (a) CUSTOMER hereby agrees to subscribe for, and DIRECTV hereby agrees to furnish to CUSTOMER, subject to the terms and conditions of this Agreement, all RF channel services of the DIRECTV 1 Satellite. Such services shall be used by Customer in any manner, as determined by CUSTOMER (hereinafter collectively referred to as "Customer RF Channel Services") on the DIRECTV 1 Satellite in accordance with this Agreement commencing immediately upon the Service Commencement Date.
- (b) The DIRECTV 1 Satellite will be operated in fixed station orbit mode unless CUSTOMER in its sole discretion wishes to operate the satellite in inclined orbit in order to maximize fuel life.

3.2 Term and Service Commencement Date

- (a) The term of this Agreement shall commence upon the date of execution of this Agreement and, subject to the earlier termination in accordance with the terms hereof, terminate on March 1, 2009 (the "Initial Term"). Following expiry of the Initial Term, the term shall be automatically extended Redacted and continuing to the end of life of the DIRECTV 1 Satellite (the initial term plus any extensions shall be referred to herein as the "Term"). As used herein, the "end of life" shall be the point in time at which the satellite is taken out of commercial operation when there is no longer sufficient fuel to operate the DIRECTV 1 Satellite, whether the satellite is operated in inclined or fixed station orbit, and de-orbited to a location at least three hundred kilometres (300 km) above geostationary orbit. This end of life date, Redacted, is contemplated to be March 31, 2009, Redacted. DIRECTV will work with CUSTOMER to maximize the usefulness of the DIRECTV 1 Satellite by optimizing the coverage and power over Canada and by maximizing fuel life to extend end-of life for as long as possible.
- (b) DIRECTV acknowledges that CUSTOMER Redacted. The date of arrival of the DIRECTV 1 Satellite at the Designated Orbital Location shall be the "Service Commencement Date".
- (c) The CUSTOMER may terminate this Agreement, Redacted.
- (d) If Customer does not wish to use the DIRECTV 1 Satellite after March 1, 2009, but before the Satellite's end of life, Redacted.

3.3 Designated Orbital Location. The CUSTOMER shall notify DIRECTV in writing Redacted as to the location of the DIRECTV 1 Satellite and such location shall

be referred to as the Designated Orbital Location. Testing of the DIRECTV 1 Satellite shall be completed at such position.

3.4 Payments

(a)

Redacted

(b)

Redacted

(c)

Redacted

3.5 Resale. The Customer RF Channel Services may not be resold or subleased for use by an entity or for service to or within the United States without DIRECTV's prior written consent and in no event may the Customer RF Channel Services be used directly or indirectly to provide direct-to-home services to or within the United States.

3.6 Standard Terms and Conditions. In addition to the terms of this Agreement, the Standard Terms and Conditions, attached hereto as Schedule 1, are incorporated by reference in this Agreement and constitute an integral part of this Agreement.

3.7 Exclusion of Warranties. The DIRECTV 1 Satellite is expressly leased to Customer on an "as is" basis. DIRECTV makes no representation or warranty regarding the Satellite, and any such warranties are expressly excluded and disclaimed, including any warranty of merchantability or fitness for a particular purpose, and any other warranty implied by statute or rule of law.

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ARTICLE 4.0 – REPRESENTATIONS AND WARRANTIES

4.1 **Representations and Warranties.** Each Party represents and warrants to the other Party, as of the date hereof and as of the Service Commencement Date, as follows and acknowledges and confirms that each other Party is relying thereon without independent inquiry in entering into this Agreement:

- (a) **Organization and Qualification.** It is a corporation, duly incorporated, continued or amalgamated, and validly existing under the laws of the jurisdiction of its incorporation, continuance or amalgamation, as the case may be, and is duly qualified, licensed or registered to carry on business under the laws applicable to it in all jurisdictions in which the nature of its assets or business as currently conducted makes such qualification necessary or where the failure to be so qualified would have a material adverse effect on its ability to perform its obligations hereunder.
- (b) **Corporate Power.** It has all requisite corporate power and authority to execute and deliver this Agreement, to perform its respective obligations hereunder and to consummate the transactions contemplated hereby.
- (c) **Authorizations, etc.** The execution and delivery by it of this Agreement and the performance of its respective obligations hereunder, and the consummation by it of the transactions contemplated hereby, have been duly authorized by all requisite corporate action and no Authorization under any applicable Law and no registration, qualification, notification, designation, declaration or filing with any Governmental Entity is or was necessary therefor except such as are in full force and effect, unamended, with the exception of those Authorizations required to fulfil the Relocation Condition Precedent.
- (d) **Execution and Binding Obligation.** This Agreement has been duly executed and delivered by it and constitutes legal, valid and binding obligations of it, enforceable against it in accordance with its terms, except insofar as enforceability may be affected by applicable Laws relating to bankruptcy, insolvency, reorganization, moratorium or similar laws now or hereafter in effect affecting creditors' rights generally or by principles governing the availability of equitable remedies.
- (e) **No Breach or Violation.** The execution and delivery of this Agreement and performance of its respective obligations under this Agreement and compliance with the terms, conditions and provisions hereof will not conflict with or result in a breach of any of the terms, conditions or provisions of: (i) its constitutive documents or by-laws; (ii) any applicable law; (iii) any contractual restriction binding on it or affecting it or its properties (without regard to requirements of notice, passage of time or elections of any Person); or (iv) any judgement, injunction, determination or award which is binding on it.
- (f) **Legal Proceedings.** There is no judgement or order outstanding, or any action, suit, complaint, proceeding or investigation by or before any Governmental Entity or any arbitrator pending, or to the best of its knowledge, threatened, which, if adversely determined, would be reasonably expected to have a material adverse effect on its ability to consummate the transactions contemplated hereby or perform its obligations hereunder.
- (g) **No Broker.** It does not know of any broker, finder or intermediary involved in connection with the negotiations and discussions incident to the execution of this Agreement, or of any broker, finder or intermediary who might be entitled to a fee or commission upon the consummation of the services contemplated by this Agreement.

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ARTICLE 5.0 – ADDITIONAL COVENANTS AND TERMINATION

5.1

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5.2 **General Rights and Remedies.** Subject to the exclusions and limitations of liability in the Standard Terms and Conditions, in the event any representation or warranty of any Party contained in this Agreement shall prove to have been incorrect in any material respect when made or deemed to have been made or if any Party fails to perform, observe or comply with any of its covenants or agreements contained in this Agreement, the other Party will be entitled to pursue all of its rights or remedies that are available at law or in equity. Nothing herein shall be deemed to preclude either Party from seeking injunctive relief, if necessary, in order to prevent the other from wilfully or intentionally breaching its obligations under this Agreement or to compel the other to perform its obligations under this Agreement.

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5.4 **Additional Termination Rights.**

- (a) The Satellite shall be taken out of commercial operation at the Designated Orbital Location if CUSTOMER and DIRECTV reasonably determine and mutually agree that there is less than Redacted of usable fuel remaining on the DIRECTV 1 Satellite and therefore there is no longer sufficient fuel to operate the DIRECTV 1 Satellite and maintain geosynchronous orbit of the Designated Orbital Location within plus or minus 0.1 degrees, as well as allowing sufficient fuel for de-orbiting the Satellite at least 300 km above geostationary orbit. In this event, DIRECTV will provide such supporting analysis to CUSTOMER and the Parties shall mutually agree to an operational plan to deorbit the DIRECTV 1 Satellite. This Agreement shall terminate effective the date of the DIRECTV 1 Satellite end of life.
- (b) DIRECTV may terminate this Agreement

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ARTICLE 6.0 – MISCELLANEOUS

6.1 **Parties Obligated and Benefitted.** This Agreement will be binding upon the Parties and their respective permitted assigns and successors in interest and will enure solely to the benefit of the Parties and their respective permitted assigns and successors in interest, and no other Person will be entitled to any of the benefits conferred by this Agreement or to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum. Without the prior written consent of the other Party, no Party will assign any of its rights under this Agreement or delegate any of its duties under this Agreement, provided that either Party may, without the consent of the other Party, assign its rights and obligations hereunder to:

- (a) any Affiliate or successor Person in connection with any reorganization of its business; provided that: (i) the non-assigning Party is given 30 days' prior written notice of the proposed assignment or reorganization, as the case may be; and (ii) the proposed assignee has similar or better financial creditworthiness and executes and delivers an assumption agreement pursuant to which the assignee assumes the obligations of the assigning Party hereunder in form and substance satisfactory to the other Party acting reasonably.

Notwithstanding any such assignment of this Agreement or of a Party's rights and obligations hereunder, unless the other Party otherwise agrees, the assigning Party shall remain liable hereunder to the other Party to the same extent as if such assignment had not occurred in the event that and to the extent that the assignee fails to fully perform the assignor's obligations hereunder.

6.2 **Notices.** Any notice, request, demand, waiver or other communication required or permitted to be given under this Agreement will be in writing and will be deemed to have been duly given only if delivered in person or by first class, prepaid, registered or certified mail, or sent by courier or by overnight delivery service or by email, or, if receipt is confirmed, by fax:

Telesat Canada
1601 Telesat Court
Ottawa, ON K1P 5B4
Canada
Telephone: (613) 748-0123
Facsimile: (613) 748-8784
Attention: Paul D. Bush
Copy: Vice President, Law
Email: p.bush@telesat.ca

DIRECTV Enterprises, LLC
2230 E. Imperial Highway
El Segundo, CA 90245
U.S.A.
Telephone: (310) 964-3982
Facsimile: (310) 964-4883
Attention: Chief Financial Officer
Copy: General Counsel
Senior Vice President, Engineering
Email: bmregan@directv.com; jrbutterworth@directv.com

Either Party may change the address to which notices are required to be sent by giving notice of such change in the manner provided in this Article. All notices will be deemed to have been received on the date of delivery or on the third Business Day after mailing or the next Business Day, if sent by overnight courier, in accordance with this Article, except that any notice of a change of address will be effective only upon actual receipt.

6.3 **Expenses.** Except as otherwise expressly provided herein, all costs and expenses (including the fees and disbursements of legal counsel, investment advisers and auditors) incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such expenses.

6.4 **Non-Merger.** Except as otherwise expressly provided in this Agreement, the covenants, representations and warranties of the Parties contained in this Agreement shall not merge on and shall survive the Service Commencement Date and, notwithstanding any investigation made by or on behalf of either Party, and shall continue in full force and effect throughout the Term.

6.5 **Governing Law/Compliance.** This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the State of Michigan, U.S.A., (without giving effect to its conflict of

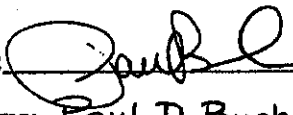
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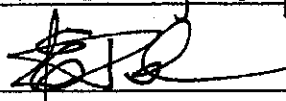
law principles) and the Parties irrevocably submit to the exclusive jurisdiction of the courts thereof. The Parties agree that in carrying out their respective activities hereunder, all actions and those of the Parties' respective employees and/or agents shall be in compliance with all applicable laws and regulations, including, but not limited to, export laws and regulations.

- 6.6 **Order of Precedence.** In the event of a conflict between the provisions of this Agreement and the Standard Terms and Conditions of Schedule 1, the provisions of this Agreement shall take precedence over the terms contained in Schedule 1.
- 6.7 **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument.


IN WITNESS WHEREOF each of the parties hereto has duly executed this Agreement under the hands of its proper officers duly authorized in that behalf as of the day and year first above written.

TELESAT CANADA

By: 
Name: Paul D. Bush
Title: V.P., Broadcasting & Corp. Dev.

By: 
Name: Jennifer E. Perkins
Title: V.P., Law

DIRECTV ENTERPRISES, LLC

By: 
Name: Michael W. Palkovic
Title: Executive Vice President & CFO

Schedule 1

**Standard Terms And Conditions
For Lease of the DIRECTV 1 Satellite**

(This is Schedule 1 to the Satellite Relocation and Lease Agreement – DIRECTV 1

between

TELESAT CANADA

and

DIRECTV ENTERPRISES, LLC

dated as of November 22, 2006)



SCHEDULE 1

STANDARD TERMS AND CONDITIONS FOR Satellite Relocation and Lease Agreement

A. GENERAL

This Schedule contains the standard terms and conditions which are applicable to the lease of the DIRECTV 1 Satellite. References to the satellite shall mean the DIRECTV 1 Satellite. All amounts quoted are in United States dollars.

B. DEFINITIONS

"Affiliate" means with respect to any Person, any other Person (i) directly or indirectly controlling (including all directors, officers, members and partners of such Person), controlled by, or under direct or indirect common control with, such Person, or (ii) that directly or indirectly owns more than 50% of any class of voting or equity securities of such Person. A Person shall be deemed to control another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the other Person, whether through the ownership of voting securities or voting interests, by contract or otherwise;

"Business Day" means any day other than a Saturday, Sunday or a day on which banking institutions in Toronto, Ontario or Montreal, Quebec are required or authorized to be closed;

"Channel" means a path for signal transmission;

"CUSTOMER" has the meaning set forth in the Service Agreement;

"Laws" means all valid, duly enacted or promulgated statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, policies having the force of law or any provisions of the foregoing, including general principles of common and civil law and equity, binding on the Person referred to in the context in which such word is used; and "Law" means any one of foregoing;

"Party" means the parties to the Service Agreement and their respective successors and permitted assigns;

"Payment Account" means the account of DIRECTV designated by notice in writing from time to time by DIRECTV to the CUSTOMER;

"Proprietary Information" means all information with respect to this Agreement that is disclosed by either CUSTOMER or DIRECTV, including any technical specifications, system designs, data or material which contains proprietary information and which is either:

- 1/ in written form clearly labelled as "Proprietary", "Confidential" or similar designation; or
2/ if disclosed orally, is identified as confidential at the time of oral disclosure and within twenty (20) days after such disclosure is furnished to the recipient in a written summary labelled "Proprietary", "Confidential" or similar designation;

"Lease Agreement" means the Satellite Relocation and Lease Agreement entered into between the Parties herein, the terms and conditions of which include the terms and

conditions of this Schedule, as such agreement may be amended, modified, supplemented, restated or replaced from time to time;

"CUSTOMER" has the same meaning set forth in the Lease Agreement;

"Term" means the duration for which Customer leases the DIRECTV 1 Satellite, including any extensions thereof, as specified in the Lease Agreement; and

"User" means any user and/or reseller of the DIRECTV 1 Satellite capacity furnished by DIRECTV under the Lease Agreement.

Other capitalized terms used and not otherwise defined in this Schedule have the same meanings as in the Lease Agreement.

C. Reserved

D. PAYMENT

1.

Redacted

2.

Redacted

3.

Redacted

4.

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E. PERFORMANCE OF THE DIRECTV 1 SATELLITE

- 1. As stated in the Lease Agreement, the DIRECTV 1 Satellite is being provided to the Customer, for the Customer's use, on an "as is" basis. Except for as provided in Paragraph 3.2(c) of the Lease Agreement, the CUSTOMER shall bear all risks associated with the performance of the DIRECTV 1 Satellite. The Customer shall not be entitled to claim, and DIRECTV shall not pay, any damages, losses, fines, fees, penalties, etc. associated with or related to the performance of the DIRECTV 1 Satellite.

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**STANDARD TERMS AND CONDITIONS
FOR FULL PERIOD WHOLE RF CHANNEL SERVICES**

F. TAXES EXCLUDED

The amounts due and payable to DIRECTV are exclusive of all federal, provincial, state and municipal taxes directly related to the DIRECTV 1 Satellite provided by DIRECTV. The CUSTOMER shall be responsible for the payment of any such taxes, fees or other charges imposed by any Government Entity (or any political subdivision thereof) with respect to the DIRECTV 1 Satellite, including but not limited to any fees or license costs imposed by Industry Canada (or any similar regulatory body) to allow the Satellite to operate in the Designated Orbital Location and/or broadcast into Canada or other country. For the purposes of this paragraph, Governmental Entity means any (i) multinational, federal, provincial, state, municipal, local or other government, governmental or public department, central bank, court, commission, board, bureau, agency, or instrumentality, domestic or foreign; (ii) any subdivision, agent, commission, board, or authority of any of the foregoing; or (iii) any quasi-governmental or private body validly exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, in each case in the proper exercise of its governmental authority. Notwithstanding the foregoing, DIRECTV shall be responsible for all taxes imposed by the United States Government Entity on the payments made by Customer for use of the DIRECTV 1 Satellite.

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- b) If the CUSTOMER terminates the Lease Agreement in any manner other than as set forth in Paragraph 3.2(c), or if DIRECTV terminates the Lease Agreement in accordance with Section G.3 a) above,

G. CONDITIONS OF SERVICE

1. Use of the DIRECTV 1 Satellite by the CUSTOMER:

- a) The CUSTOMER is prohibited from using the DIRECTV 1 Satellite or permitting these services to be used, for a purpose or in a manner that is contrary to Laws; and
- b) If the continued use of the Satellite would breach any order of a court of competent jurisdiction, then DIRECTV shall have, in addition to all other rights hereunder, the immediate right to prevent the CUSTOMER from using the Satellite to the extent, but only to the extent, necessary and for the time necessary, as reasonably determined by DIRECTV to prevent such breach from continuing.

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3. Termination

- a) DIRECTV may terminate the Lease Agreement if:

- d) Termination rights under this Schedule shall be additional to the termination rights set forth in the Lease Agreement.

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H. GENERAL LIMITATIONS

- 1. Each of DIRECTV and the CUSTOMER shall promptly notify the other upon learning of any anomalies associated with the DIRECTV 1 Satellite.
- 2. DIRECTV does not represent nor warrant that Customer use of the DIRECTV 1 Satellite will be capable of achieving any specific results in the CUSTOMER's business. CUSTOMER covenants and agrees that any and all express or implied warranties or conditions with respect to the Satellite, or any part thereof, its condition, durability or suitability for any particular use including warranties or conditions of merchantability or fitness for any purpose or use, whether expressed or implied by contract, tort (including negligence and strict liability), statute or other legal theory, are expressly excluded and disclaimed. The CUSTOMER expressly agrees that it waives all remedies and/or claims of any kind against the manufacturer(s) of the Satellite, the operator of the satellite, their affiliates and/or

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**STANDARD TERMS AND CONDITIONS
FOR FULL PERIOD WHOLE RF CHANNEL SERVICES**

subcontractors and/or the owner of the Satellite, its affiliates and/or sub-contractors.

1. LIMITATION OF LIABILITY

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2.

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2. USE OF INFORMATION

1. Disclosure of Information

It is recognized that technical or other information may be disclosed by one Party to the other in the course of the activities contemplated by the Lease Agreement and that the disclosing Party may desire to protect such information against unrestricted use or disclosure to others. To provide protection for such information, each Party agrees to respect such proprietary and/or confidential information in accordance with the

provisions of this Section 2. Each Party's obligation to hold information in confidence will be satisfied if it exercises the same care with respect to such information as it would exercise to preserve the confidentiality of its own similar information, but with no less than a reasonable standard of care.

2. Confidentiality

All Proprietary Information shall be held in confidence by the recipient Party

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During the term of the non-disclosure obligations, Proprietary Information shall not be disclosed or circulated to any Person except the recipient's employees, contractors, and agents who have such need to know in the performance of their obligations under the Lease Agreement. Neither Party and none of their respective employees, subcontractors and agents shall disclose or use such Proprietary Information for any purpose other than fulfilling its obligations under the Lease Agreement without first obtaining the other Party's written consent with respect thereto.

3. Exceptions

Notwithstanding the above but subject to Section 2.4, no Party shall be liable for disclosure of any such Proprietary Information if the same:

- a) is now or hereafter becomes available to the public other than by way of disclosure by the recipient Party or any affiliate thereof; or
- b) can be demonstrated by recorded data in its own files to be actually known by the recipient Party prior to being obtained from the disclosing Party and such other sources are not bound by similar non-disclosure restrictions; or
- c) becomes available from other sources through no fault of the recipient Party; or
- d) was disclosed with, and in accordance with the terms of prior written approval of the Party claiming proprietary rights; or
- e) is required by Law.

4. Compelled Disclosure

In the event that a receiving Party becomes legally compelled to disclose Proprietary Information, such Party will, to the extent practicable under the circumstances, provide the disclosing Party with written notice thereof so that the disclosing Party may seek a protective order or other appropriate remedy. In any such event, the receiving Party will disclose only such information as is legally required and will exercise reasonable efforts to obtain proprietary treatment of any Proprietary Information being disclosed.

5. Injunctive Relief

The Parties agree that, in the event of a breach or threatened breach of the terms of these non-disclosure obligations, the disclosing Party shall be entitled to seek an injunction prohibiting any such breach. The receiving Party acknowledges that in the event that it breaches the terms of these non-disclosure obligations, the harm suffered by the disclosing Party may not be adequately compensated by monetary damages and, accordingly, the disclosing Party shall be entitled to seek a court injunction in addition to any other remedies available at

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**STANDARD TERMS AND CONDITIONS
FOR FULL PERIOD WHOLE RF CHANNEL SERVICES**

law or in equity specifically enforcing the non-disclosure provisions herein.

6. Rights to Information

It is expressly understood by the Parties hereto that, except for the right to use Proprietary Information for the purposes contemplated herein, neither Party has granted to the other Party any other rights whatsoever in such information. In no case shall either Party acquire any ownership rights and/or proprietary interest in the other Party's Proprietary Information.

Upon expiration or termination of the Lease Agreement, or any other time, all Proprietary Information in the possession of a Party shall, if requested in writing by the Party that disclosed such information, be either returned to the disclosing Party or, at the receiving Party's option, destroyed provided certification of destruction is provided. In all events, the receiving Party may retain a single copy of all Confidential Information, as an archive record of the contents hereof, accessed solely in the event of a dispute between the Parties concerning such contents.

K. GENERAL TERMS AND CONDITIONS

1. Non-Performance

Any delay or omission of a Party in the enforcement of any provision of the Lease Agreement or this Schedule shall not affect the right of such Party thereafter to enforce the same provision. Nor shall the waiver by a Party of any breach of any provision of the Lease Agreement or this Schedule be taken or held binding by such Party, unless in writing, and such waiver shall not be taken or held to be a waiver of any future breach of the same provision or prejudice the enforcement of any other provision.

2. Rights Cumulative

All rights and remedies of each of the Parties under the Lease Agreement or this Schedule will be cumulative, and the exercise of one or more rights or remedies will not preclude the exercise of any other right or remedy available under the Lease Agreement or applicable Law.

The Parties agree that each of them shall have the right to seek injunctive relief, if necessary, in order to prevent the other Party from willfully breaching its respective obligations under the Lease Agreement or this Schedule or to compel the other Party to perform its respective obligations under the Lease Agreement or this Schedule.

3. Joint Venture

The provision of service by DIRECTV does not establish any joint undertaking, joint venture or partnership with the CUSTOMER or its agent, contractors, any other persons, firms, corporation or entity providing service or facilities to the CUSTOMER.

4. Time

Time is of the essence under the Lease Agreement. If the last day permitted for the giving of any notice or the performance of any act required or permitted under the Lease Agreement falls on a day which is not a Business Day, the time for the giving of such notice or the performance of such act will be extended to the next succeeding Business Day.

5. Further Actions

The Parties will execute and deliver to the other, from time to time during the Term, for no additional consideration, such further certificates, instruments, records, or other documents, assurances or things as may be reasonably necessary to give full effect to the Lease Agreement or this Schedule and to allow each Party fully to enjoy and exercise the rights accorded by it under the Lease Agreement or this Schedule, if such requested further action will not impose any expense or material additional obligations on the Party from whom such further action is requested.

6. Severability

Any Article, Section, Item or other subdivision of the Lease Agreement or this Schedule or any other provision of the Lease Agreement or this Schedule which is, or becomes illegal, invalid or unenforceable shall be severed from the Lease Agreement or this Schedule, as the case may be, and be ineffective to the extent of such illegality, invalidity or unenforceability and shall not affect or impair the remaining provisions hereof or thereof.

7. Resulting Contract

The terms and conditions contained in this Schedule, shall form part of and be incorporated in the Lease Agreement.

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