

## Description

Hughes Network Systems, LLC (“HNS”) requests authority from the Commission to transfer the SPACEWAY 3 satellite space station (Call Sign S2663) from a United States licensing authority to a United Kingdom licensing authority. The SPACEWAY 3 satellite is authorized to HNS for operation in the 29.5-30.0 GHz and 19.7-20.2 GHz frequency bands from the 94.95° W.L. orbital location. *See* File Nos. SAT-MOD-20071011-00139 and SAT-ASG-2008021300041. The SPACEWAY 3 satellite has been in commercial operation since 2008.

HNS has applied to the Commission for Letters of Intent to serve the U.S. market from three new satellites – SPACEWAY 4, SPACEWAY 5, and SPACEWAY 6, at the 107.1° W.L., 109.1° W.L., and 90.9° W.L. orbital locations, respectively – that are licensed to an HNS subsidiary by the United Kingdom. *See* File Nos. SAT-LOI-20091110-0011, SAT-LOI-20091110-00120, and SAT-LOI-20091110-00121. To consolidate its fleet authorizations under a single licensing administration, HNS intends to convert SPACEWAY 3 from a U.S.-licensed satellite to one that serves the U.S. under a U.K. authorization held by HNS that uses the United Kingdom’s UKSAT-10 filing with the International Telecommunication Union (“ITU”).<sup>1</sup> The attached letter dated May 21, 2010 from the U.K.’s Office of Communication (“Ofcom”) to the International Bureau confirms submission of the UKSAT-10 satellite network to the ITU on behalf of HNS as U.K. operator of the network.

HNS emphasizes that there will be no changes to its operation, ownership or control of SPACEWAY 3 as a result of the transfer requested here. In this regard, the requested transfer is pro forma in nature. HNS will continue to operate SPACEWAY 3 in precisely the same manner and subject to all of the same regulations and policies that now apply in exactly the same manner that the satellite is operated in today – except that, upon approval of this application, HNS will no longer be a Commission licensee with respect to the SPACEWAY 3 satellite. It will instead operate the satellite pursuant to the United Kingdom authorization it holds for UKSAT-10.<sup>2</sup>

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<sup>1</sup> Details can be found in IFIC No. 2538 under CR/C/1365, as published by the ITU on February 8, 2005.

<sup>2</sup> In anticipation of the transfer proposed herein, HNS subsidiary HNS License Sub, LLC (“Hughes”), has filed modification applications requesting the change in the points of communication from SPACEWAY 3 as a U.S.-licensed satellite to SPACEWAY 3 as a U.K.-licensed satellite with respect to the Hughes earth station at Castle Rock, Colorado (Call Sign E060382), the Hughes earth station at Filmore, California (Call Sign E060383) and Hughes’s blanket authority for Ka-band earth terminals (Call Sign E060445). *See* File Nos. SES-MFS-20100419-00454, SES-MFS-20100419-00453, and SES-MFS-20100419-00452. To the extent that the earth station modification applications contemplated that HNS would surrender the SPACEWAY 3 license upon grant, that expectation is overtaken by the present proposal to transfer the SPACEWAY 3 license from U.S. responsibility to the responsibility of the U.K. It is HNS’s understanding that the proposed addition of SPACEWAY 3 (UK) as a point of communication on the earth station licenses will still be required to ensure continuation of HNS’s exclusive market access to the United States in the authorized Ka-band frequencies from the 94.95° W.L. orbital location.

The nature and extent of control of the transferee and the public interest reasons in support of this request are set forth below in Exhibits E and F.

**Exhibit E – Statement Identifying Nature and Extent of Control**

HNS will be responsible for all aspects of the operation of the SPACEWAY 3 satellite. Hughes Network Systems, Ltd. (“HNS, Ltd.”), as the United Kingdom licensee, will be responsible for and have authority over the network in order to ensure compliance with any rules and obligations established by Ofcom. HNS, Ltd. is 100 percent owned and controlled by Hughes Network Systems Europe, Ltd., a U.K. holding company. Hughes Network Systems Europe, Ltd. is 100 percent owned and controlled by HNS. The directors and officers of these two subsidiaries are listed below.

Hughes Network Systems Europe. Ltd

Directors

Pradman Kaul  
Bahram Pourmand  
Dean Manson  
Michael Cook  
Christopher Britton

Officers

Christopher Britton, Managing Director  
Dean Manson and Claire Denton, Joint Secretaries

Hughes Network Systems, Ltd (UK)

Directors

Christopher Britton  
Bahram Pourmand  
Dean Manson

Officers

Christopher Britton, Managing Director  
Dean Manson and Claire Denton, Joint Secretaries

Messrs. Kaul, Pourmand, Manson and Cook are also officers of HNS.

HNS is a wholly-owned subsidiary of Hughes Communications, Inc. (“HCI”), a Delaware Corporation. HCI, in turn, is approximately 46.97 percent owned by Apollo Investment Fund, IV, L.P. (“Apollo”), a company organized under Delaware law. Four

other affiliates of Apollo, none of which holds more than a 3.63 percent interest, own an additional 10.37 percent of HCI in the aggregate, such that Apollo and affiliated companies hold approximately 57.34 percent of the common stock of HCI. The remaining common stock is widely held among other shareholders, with no single person or entity holding a direct or indirect equity interest of 10 percent or more. Both HNS and HCI are located at 11717 Exploration Lane, Germantown, Maryland 20876. Apollo is headquartered at Two Manhattanville Road, Purchase, New York 10577.

Ultimate control of Apollo and its affiliated entities, and therefore HNS, is held by three individuals -- Leon Black, Marc Rowan and Joshua Harris -- each of whom is a U.S. citizen. Messrs. Black, Rowan and Harris are the sole shareholders of BRH Holdings, G.P., Ltd. ("BRH"), a company organized under the laws of the Cayman Islands, through which they indirectly control Apollo and HNS. A complete description of the ownership structure is provided in FCC File No. SAT-T/C-20070904-00119 at Exhibits E & F, as supplemented in October 2007. The address for BRH and its three individual shareholders/directors is 9 West 57th Street, 43rd Floor, New York, New York 10019.

Officers of Hughes Network Systems, LLC

All of the officers listed below can be reached through HNS at 11717 Exploration Lane, Germantown, Maryland 20876.

<b>Name</b>	<b>Position</b>
Pradman P. Kaul	CEO, President
Grant A. Barber	Exec. Vice President and CFO
Bahram Pourmand	Exec. Vice President, International Division
T. Paul Gaske	Exec. Vice President, North American Division
Adrian Morris	Exec. Vice President, Engineering
Estil Hoversten	Senior Vice President
Tom Hsu	SVP, Terrestrial Microwave
Vinod Shukla	SVP, International Division
Bob Buschman	SVP, Telematics
John McEwan	SVP, Operations
John Corrigan	SVP, Engineering
Mike Cook	SVP, North America Sales and Marketing
Sandi Kerentoff	SVP, Administration and Human Resources
Ashok Mehta	SVP, Business Information Technology Services
Thomas J. McElroy	SVP and Controller
Robert Kepley	SVP, Engineering
George Choquette	SVP, Engineering
David Zatloukal	SVP, North American Operations
Dean A. Manson	SVP, General Counsel and Secretary
Deepak V. Dutt	VP, Treasurer and Investor Relations Officer

Board of Managers of Hughes Network Systems, LLC

All of the managers listed below can be reached through HNS at 11717 Exploration Lane, Germantown, Maryland 20876. (Managers of an LLC perform functions equivalent to corporate directors.)

<b>Name</b>	<b>Position</b>
Pradman P. Kaul	Chairman of the Board of Managers
Jeffrey A. Leddy	Member of the Board of Managers
Andrew D. Africk	Member of the Board of Managers
Aaron J. Stone	Member of the Board of Managers

**Exhibit F – Public Interest Statement**

HNS is the global leader in providing broadband satellite network solutions for large enterprises, governments, small businesses and consumers, with more than 2.2 million systems ordered or shipped to customers in more than 100 countries. SPACEWAY 3, the company's first Ka-band FSS satellite, entered commercial service on April 3, 2008. The SPACEWAY 3 satellite's state-of-the art Ka-band capabilities provide broadband services to consumers and enterprises at high data rates over a service area that embraces all of rural and remote America – including those areas not served by digital subscriber lines, fiber, or cable modem Internet service. The proposed transfer of SPACEWAY 3's licensing authority from the United States to the United Kingdom will consolidate HNS's fleet authorizations under a single licensing administration. This change will facilitate international coordination and produce economies of scale in operations that will improve the efficiency with which HNS provides its valuable, high-capacity broadband Ka-band fixed-satellite services to the American public.

File Number: SSU2562

21 May 2010

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International Bureau  
Federal Communications Commission

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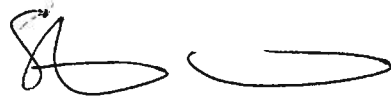
Dear Kathryn

**UKSAT-10 satellite network**

The Administration of the United Kingdom would like to inform you that the UKSAT-10 satellite network was submitted to the ITU on behalf of the UK Operator Hughes Networks Systems Limited. Coordination request for this network was received by the ITU on 22 January 2004 and published on BR IFIC 2538 22 February 2005. We confirm that the ITU cost recovery for this network has been paid and that coordination is being pursued in accordance with the Radio Regulations.

It would be appreciated if you would acknowledge receipt of this fax via email to [ifc.enquiries@ofcom.org.uk](mailto:ifc.enquiries@ofcom.org.uk).

Yours faithfully



Stephen Limb BSc(Eng) MPhil CEng MIET

cc HNS