


# FCC Memorandum

**To:** Curtrisha Banks   
**From:** Karl Kensinger, Associate Chief, Satellite Division, International Bureau  
**Date:** 10/21/2009  
**Re:** Permitted Ex Parte Presentation in File Nos. SES-LIC-20061206-02100; SES-AMD-20061214-02179; SES-AMD-20070309-00336; SES-AMD-20070508-00582; SES-AMD-20070723-00978; SES-AMD-20070907-01253; SES-AMD-20080229-00217.

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Please scan this memo and the attached document and upload to the referenced files.

## Karl Kensinger

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**From:** Alexandra M. Field (Sasha) [sasha.field@terrestar.com]  
**Sent:** Monday, October 12, 2009 7:15 PM  
**To:** Karl Kensinger  
**Subject:** checking in on TerreStar ATC authorization

Karl,

Just checking in. Hope you and the family are doing well and that back to school stuff has settled down (they are still in school, right – they haven't done something crazy like get old enough to go to college or something?).

When last we met, one of the things we talked about was TerreStar's concerns about timing of ATC approval. As we explained, the deal under which we got financing for our second satellite – the one that will anchor the ATC – has an event of default related to ATC authorization. Section 7.01 (o)(ii) states that if we don't secure the FCC ATC Authorization by three months after the date we've certified that we are operational to the FCC, then the interest rate on the money we borrowed to build the satellite increases. The interest rate increases again for each of the next two months. If, however, we have not received our authorization from the FCC by the third month, it is deemed an event of default against the loan.

In our case, the clock started on July 20 of this year. Next Tuesday we hit the first deadline and will have the less than ideal task of informing our colleagues and then the board that we have not made the deadline and the interest rates will be increased. The next two hits come the Friday before Thanksgiving and the weekend before Christmas. So my group is definitely getting the Grinch award for holiday spirit this year.

Assuming they haven't fired us as a cost cutting move by then, the real hit is January 20, 2010. Given how far we've gone on the second satellite and the fact that we will be in money raising mode by end of this year, triggering the event of default would likely be catastrophic to the company.

So as you can imagine, this is all very high on my radar right now. Before I hit next Tuesday I wanted to reach out and make sure I had checked with you to see what the status was of the application and whether there were any questions we could answer or information we could provide – whether technical, legal, or corporate. We know that the application is quite aged so if it would help to come in and talk with the engineers or bore you with more of our corporate silliness then just say the word.

Meanwhile, we'll continue to do all the usual progress things you'd expect of a company in the position we are in.

Never a dull moment around here. . .

Hope your weekend was a good one,

Best,

Sasha

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10/21/2009