



Our File: 05943-1 (110214 RH)

MAR 08 2007

Robert G. Nelson  
Chief, Satellite Division  
International Bureau  
Federal Communications Commission  
Washington, D.C. 20554

Dear Mr. Nelson:

Thank you for your letter of March 08, 2007 setting out our informal common understandings concerning certain technical issues involved in the operation of Broadcasting-Satellite Service (BSS) satellites known by Telesat Canada (Telesat) and DIRECTV Enterprises, LLC (DIRECTV) as DIRECTV 1 and DIRECTV 1R.

I am pleased to provide my confirmation of our informal understandings and acknowledgement of the other views expressed in your letter. Additionally, Industry Canada acknowledges that, in the event of termination of the lease agreement owing to the failure of a DIRECTV satellite, DIRECTV's ability to use the DIRECTV 1 and DIRECTV 1R satellites at orbital positions licensed by the FCC is a private contractual matter between DIRECTV and Telesat. Nonetheless, should there be any provisions in Telesat's licence, or any provisions in the Canadian laws and regulations governing the telecommunications of Telesat Canada, that would preclude or otherwise limit the exercise of DIRECTV's contractual rights to terminate the lease and use the satellites within the time frames specified in the DIRECTV/Telesat agreement, the FCC would be informed, to the extent possible under the circumstances and the law, of the exercise of licensing authority, or application of law or regulation by Industry Canada.

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Once again, I want to express my appreciation for the support your administration is giving to this kind of commercial arrangement to facilitate the delivery of important and valuable satellite services in our respective countries.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Beaumier". The signature is fluid and cursive, with a long horizontal stroke at the end.

Chantal Beaumier  
Director, Space and International  
Regulatory Activities

cc: Paul Bush, Telesat Canada