

AKIN GUMP STRAUSS HAUER & FELD LLP
One Bryant Park
New York, New York 10036
(212) 872-1000 (Telephone)
(212) 872-1002 (Facsimile)
Ira S. Dizengoff
Arik Preis
Ashleigh L. Blaylock

Counsel to the Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	Chapter 11
)	
TERRESTAR NETWORKS INC., <i>et al.</i> , ¹)	Case No. 10-15446 (SHL)
)	
Debtors.)	Jointly Administered
)	

**DEBTORS' MOTION TO SHORTEN THE TIME FOR NOTICE OF THE HEARING
TO CONSIDER THE DEBTORS' MOTION FOR ENTRY OF AN ORDER AMENDING
ORDER DIRECTING JOINT ADMINISTRATION OF RELATED CHAPTER 11 CASES**

The above-captioned debtors and debtors in possession (collectively, the “*Debtors*”) seek entry of an order, substantially in the form attached hereto as Exhibit A, shortening the time for notice of the hearing to consider the *Debtors' Motion for Entry of an Order Amending Order Directing Joint Administration of Related Chapter 11 Cases* (the “*Motion to Amend Joint Administration*”) such that the hearing can be held on February 22, 2011, at 10:00 a.m. (prevailing Eastern Time). In support of this motion, the Debtors respectfully state as follows:

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal taxpayer-identification number, are: TerreStar Networks Inc. [3931]; TerreStar License Inc. [6537]; TerreStar National Services Inc. [6319]; TerreStar Networks Holdings (Canada) Inc. [1337]; TerreStar Networks (Canada) Inc. [8766]; and 0887729 B.C. Ltd. [1345] (collectively, the “*TSN Debtors*”); TerreStar New York Inc. [6394]; Motient Communications Inc. [3833]; Motient Holdings Inc. [6634]; Motient License Inc. [2431]; Motient Services Inc. [5106]; Motient Ventures Holding Inc. [6191]; and MVH Holdings Inc. [9756] (collectively, the “*Other TSC Debtors*”).

I. JURISDICTION

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

2. Venue in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The bases for the relief requested herein are Rules 2002 and 9006(c) of the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”) and Rule 9006-1(b) of the Local Bankruptcy Rules for the Southern District of New York (the “*Local Rules*”).

II. BACKGROUND

4. On October 19, 2010 (the “*October Petition Date*”), the Debtors each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in this Court. On October 20, 2010, the Court signed the Joint Administration Order directing joint administration of the Debtors’ affiliated chapter 11 cases.

5. Subsequently, on February 16, 2011 (the “*February Petition Date*”), TerreStar Corporation (“*TSC*”) and TerreStar Holdings Inc. (collectively, the “*February Debtors*” and, collectively with the Other TSC Debtors, the “*TSC Debtors*”) each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in this Court.

6. Contemporaneously with the filing of this motion, the Debtors have filed the Motion to Amend Joint Administration. As more fully discussed in the Motion to Amend Joint Administration, the circumstances of the Debtors’ chapter 11 cases justify amending the Joint Administration Order at this time, as it is contemplated that the cases of the TSN Debtors and the TSC Debtors will proceed according to separate timetables and will seek significantly different relief. Accordingly, the TSC Debtors have filed a motion in their chapter 11 cases to have their cases jointly administered under the case number of TSC, their proposed lead debtor.

7. The Debtors believe that the amendment to the current joint administration structure of their chapter 11 cases needs to take place as early as practicable following the filing of the February Debtors chapter 11 cases so that each can be more efficiently administered. Accordingly, the Debtors seek to present the Motion to Amend Joint Administration to the Court for consideration and approval on February 22, 2011, at 10:00 a.m. (prevailing Eastern Time), with objections to the Motion to Amend Joint Administration due on February 21, 2011 at 12:00 p.m. (prevailing Eastern Time) (the “*Motion to Amend Joint Administration Hearing Objection Deadline*”). The Debtors believe that setting the hearing on the Motion to Amend Joint Administration on shortened six (6)-day notice, if approved, will not prejudice any parties in interest as the Debtors plan to provide notice of the Motion to Amend Joint Administration via overnight mail and electronic mail. The Debtors believe that the six (6)-day notice period is appropriate in light of the circumstances in these chapter 11 cases.

III. RELIEF REQUESTED

8. By this motion, the Debtors seek entry of an order, substantially in the form attached hereto as Exhibit A, shortening the notice period required by Bankruptcy Rule 2002 and Local Rule 9006-1(b) with respect to the Motion to Amend Joint Administration by scheduling the hearing to consider such motion on **February 22, 2011, at 10:00 a.m. (prevailing Eastern Time)**.

IV. BASIS FOR RELIEF

9. Local Rule 9006-1(b) requires, unless the Court orders otherwise, “all motion papers [to] be served at least 14 days before the return date,” and “when there is a right or requirement to act . . . within a prescribed period after service and that service is made by mail . . .”, Bankruptcy Rule 9006(f) requires that three (3) days be added to the prescribed period. However, Bankruptcy Rule 9006(c)(1) and Local Rule 9006-1(b) authorize the Court,

for good cause shown, to reduce notice periods. *See, e.g., In re Landmark Park Plaza L.P.*, 167 B.R. 752 (Bankr. D. Conn. 1994) (shortening time for notice of hearing on creditor's proposed plan and disclosure statement where simultaneous exposure to two rival plans was in the best interest of creditors); *United States v. Air Line Pilots Ass'n, International*, 1993 WL 55924, at *7 (Bankr. D. Del. June 22, 1993) (finding that the bankruptcy court did not abuse its discretion by holding the hearing on the Joint Fee Motion on only six days notice under Rule 9006(c), rather than on 20 day notice required under Rule 2002(a)(7)); *In re Holland*, 95 B.R. 735, 737 (Bankr. W.D. Tex. 1988) (holding that Bankruptcy Rule 9006(c) gives the court "the power to reduce the time periods set out in Bankruptcy Rule 2002(b) for giving notice of hearing on the approval of a disclosure statement and for giving notice of hearing on confirmation of a plan").

10. The Debtors believe that expeditiously amending joint administration is an important step in moving forward with their restructuring process. Shortening the notice period required under Local Rule 9006-1(b) to allow for a hearing on the Motion to Amend Joint Administration on February 22, 2011, at 10:00 a.m. (prevailing Eastern Time), is therefore both prudent and appropriate under the circumstances.

11. The Debtors do not believe that the short reduction of the notice period will unduly prejudice any stakeholder in their chapter 11 cases. The Debtors plan to serve the Motion to Amend Joint Administration on February 16, 2011, via overnight mail and electronic mail. If the Court were to grant this motion, parties in interest will have six (6) days' notice, rather than the required 17 days, of the Motion to Amend Joint Administration. The Debtors believe such a reduction is appropriate in light of the fact that it coincides with necessary first day relief in the chapter 11 cases of the February Debtors. In the instant case, the Debtors intend to provide

notice as described above in an effort to reach parties in interest immediately upon filing the Motion to Amend Joint Administration. Moreover, the United States Trustee and other parties in interest were notified on or before January 31, 2010 of the Debtors' intent to file the Motion to Amend Joint Administration. Accordingly, the Debtors believe that six (6) days' notice of the Motion to Amend Joint Administration is a sufficient notice period given the benefits to the Debtors' estates of an expeditious advancement of the restructuring process by way of improved administrative efficiency.

V. NOTICE

15. The Debtors have provided notice of this Motion to: (a) the Office of the United States Trustee for the Southern District of New York; (b) Otterbourg, Steindler, Houston & Rosen, P.C., as counsel to the statutory committee of unsecured creditors appointed in these chapter 11 cases; (c) Bank of New York Mellon as agent for the TSN Debtors' postpetition debtor-in-possession financing; (d) Emmet, Marvin & Martin, LLP as counsel to the agent for the TSN Debtors' postpetition debtor-in-possession financing; (e) U.S. Bank National Association as Collateral Agent for the TSN Debtors' purchase money credit facility; (f) Weil, Gotshal & Manges LLP as counsel to Harbinger Capital Partners Master Fund I, Ltd. and Harbinger Capital Partners Special Situations Fund, L.P. in their capacity as Lenders under the Debtors' purchase money credit facility and as counsel to Harbinger Capital Partners LLC and certain of its managed and affiliated funds; (g) Willkie Farr & Gallagher LLP as counsel to EchoStar Corporation in its capacity as Lender under the Debtors' purchase money credit facility and Initial Lender under the TSN Debtors' postpetition debtor-in-possession financing; (h) U.S. Bank National Association as Indenture Trustee for the TSN Debtors' 15% Senior Secured Notes and Kelley Drye & Warren LLP as counsel to the Indenture Trustee; (i) Deutsche Bank National Trust Company as Indenture Trustee for the TSN Debtors' 6.5% Senior Exchangeable Notes and

Foley & Lardner LLP as counsel to the Indenture Trustee; (j) Quinn Emanuel Urquhart & Sullivan, LLP as counsel to Solus Alternative Asset Management LP; (k) Wachtell, Lipton, Rosen & Katz as counsel to Highland Capital Management LP and certain of its managed and affiliated funds; (l) the Internal Revenue Service; (m) the Securities and Exchange Commission; (n) the United States Attorney for the Southern District of New York; (o) the Federal Communications Commission; (p) Kirkland & Ellis LLP, as counsel to certain holders of the TSN Debtors' 15% Senior Secured Notes; and (q) parties in interest who have filed a notice of appearance in these cases pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested, the Debtors respectfully submit that no further notice is necessary.

WHEREFORE, the Debtors respectfully request that the Court (a) enter an order, substantially in the form attached hereto as Exhibit A shortening the notice period with respect to the Motion to Amend Joint Administration deadline required by Local Rule 9006-1(b) and scheduling the hearing on the Motion to Amend Joint Administration for February 22, 2011, at 10:00 a.m. (prevailing Eastern Time) and (b) grant such other relief as may be appropriate.

New York, New York
Dated: February 16, 2011

/s/ Ira S. Dizengoff
AKIN GUMP STRAUSS HAUER & FELD LLP
One Bryant Park
New York, New York 10036
(212) 872-1000 (Telephone)
(212) 872-1002 (Facsimile)

Ira S. Dizengoff
Arik Preis
Ashleigh L. Blaylock

Counsel to the Debtors and Debtors in Possession

EXHIBIT A

Proposed Order

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	Chapter 11
)	
TERRESTAR NETWORKS INC., <i>et al.</i> , ¹)	Case No. 10-15446 (SHL)
)	
Debtors.)	Jointly Administered
)	

**DEBTORS’ MOTION TO SHORTEN THE TIME FOR NOTICE OF THE HEARING
TO CONSIDER THE DEBTORS’ MOTION FOR ENTRY OF AN ORDER AMENDING
ORDER DIRECTING JOINT ADMINISTRATION OF RELATED CHAPTER 11 CASES**

Upon the motion (the “*Motion*”)² of TerreStar Networks Inc. and its affiliated debtors and debtors in possession in the above-captioned cases (collectively, the “*Debtors*”), for entry of an order pursuant to Rules 2002 and 9006(c) of the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”), Rule 9006-1(b) of the Local Bankruptcy Rules for the Southern District of New York (the “*Local Rules*”) shortening the notice under Bankruptcy Rule 2002 and Local Bankruptcy Rule 9006-1(b) with respect to the hearing to approve the *Debtors’ Motion for Entry of an Order Amending Order Directing Joint Administration of Related Chapter 11 Cases* (the “*Motion to Amend Joint Administration*”); and the Court having found that the Court has jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having found that venue of this proceeding and the Motion in this

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal taxpayer-identification number, are: TerreStar Networks Inc. [3931]; TerreStar License Inc. [6537]; TerreStar National Services Inc. [6319]; TerreStar Networks Holdings (Canada) Inc. [1337]; TerreStar Networks (Canada) Inc. [8766]; and 0887729 B.C. Ltd. [1345] (collectively, the “*TSN Debtors*”); TerreStar New York Inc. [6394]; Motient Communications Inc. [3833]; Motient Holdings Inc. [6634]; Motient License Inc. [2431]; Motient Services Inc. [5106]; Motient Ventures Holding Inc. [6191]; and MVH Holdings Inc. [9756] (collectively, the “*Other TSC Debtors*”).

² All capitalized terms used but otherwise not defined herein shall have the meanings set forth in the Motion.

district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and that, pursuant to Bankruptcy Rule 9006(c), cause exists to shorten the notice period under bankruptcy Rule 2002 and Local Rule 9006-1(b) and due and proper notice of the Motion having been provided under the circumstances, and it appearing that no other or further notice need be provided; and any objections to the Motion having been withdrawn, resolved or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted to the extent set forth herein.
2. The notice period required by Local Rule 9006-1(b) with respect to the Motion to

Amend Joint Administration hearing is hereby modified as follows:

- a. The Motion to Amend Joint Administration hearing shall be held on February ____, 2011, at 10:00 a.m. (prevailing Eastern Time). The Motion to Amend Joint Administration hearing may be continued from time to time by the Court or the Debtors without further notice other than by such adjournment being announced in open court or by notice of adjournment filed with the Court and served on the list of all parties required to be notified under Rule 2002 of the Bankruptcy Rules and Local Rule 9006-1(b) and other parties entitled to notice.
- b. Objections, if any, to the adequacy of the Motion to Amend Joint Administration or the relief sought at the Motion to Amend Joint Administration hearing in connection with therewith must be filed with the Court (contemporaneously with a proof of service) and served upon the appropriate parties on or before the Motion to Amend Joint Administration Hearing Objection Deadline of February ____, 2011 at _____ (prevailing Eastern Time).

3. The Debtors shall mail notice of the hearing on the Motion to Amend Joint Administration and corresponding objection deadline by overnight mail and electronic mail to all entities required under the Bankruptcy Rules within one day after entry of this order by this Court.

4. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

5. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

6. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

New York, New York

Date: _____, 2011

Honorable Sean H. Lane
United States Bankruptcy Judge