

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

| | | |
|---|---|-------------------------|
| In re: |) | Chapter 11 |
| TERRESTAR CORPORATION, <i>et al.</i> , ¹ |) | Case No. 11-10612 (SHL) |
| Debtors. |) | Jointly Administered |

DECLARATION OF STATUS AS A SUBSTANTIAL SHAREHOLDER²

PLEASE TAKE NOTICE that Solus Alternative Asset Management LP (“*Solus*”) is a Substantial Shareholder with respect to the preferred stock (the “*Preferred Stock*”) of TerreStar Corporation (“*TSC*”) or of any beneficial interest therein. TSC is a debtor and debtor in possession in Case No. 11-10216 (SHL) pending in the United States Bankruptcy Court for the Southern District of New York.

PLEASE TAKE FURTHER NOTICE that, as of March 30, 2012, Solus has Beneficial Ownership of 91,000 shares of Series B Preferred Stock. The following table sets forth the date(s) on which Solus acquired Beneficial Ownership or otherwise has Beneficial Ownership of such Preferred Stock:

¹ The debtors in these chapter 11 cases, along with the last four digits of each debtor’s federal taxpayer identification number, are: (a) TerreStar Corporation [6127] (“*TSC*”) and TerreStar Holdings Inc. [0778] (collectively, the “*February Debtors*”); and (b) 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*” and, collectively with the February Debtors, the “*TSC Debtors*”).

² For purposes of this Declaration: (a) a “*Substantial Shareholder*” is any entity (as defined by section 101(15) of the Bankruptcy Code, 11 U.S.C. §§ 101-1532) that has Beneficial Ownership of at least (i) 4,455 shares of Series A Preferred Stock, (ii) 15,765 shares of Series B Preferred Stock or (iii) 59,400 shares of Series E Preferred Stock; (b) “*Beneficial Ownership*” of Preferred Stock includes direct and indirect ownership (*i.e.*, a holding company would be considered to beneficially own all shares owned or acquired by its subsidiaries), ownership by such holder’s family members and persons acting in concert with such holder to make a coordinated acquisition of stock and certain ownership of shares that such holder has an option to acquire; and (c) an “*Option*” to acquire stock or notes convertible into stock includes any contingent purchase, warrant, convertible debt, put, stock subject to risk of forfeiture, contract to acquire stock or similar interest, regardless of whether it is contingent or otherwise not currently exercisable.

| Number of Shares of Series B Preferred Stock³ | Date Acquired |
|---|----------------------|
| 54,000 | January 2011 |
| 3,000 | April 2008 |
| 17,500 | March 2008 |
| 12,500 | January 2008 |
| 4,000 | April 2007 |

PLEASE TAKE FURTHER NOTICE that the last four digits of the taxpayer identification number of Solus are 3326.

PLEASE TAKE FURTHER NOTICE that, pursuant to that certain *Order Establishing Notification and Hearing Procedures for Transfers of Certain Preferred Stock and Granting Related Relief*, this Declaration is being filed with the Court and served upon counsel to the TSC Debtors.

PLEASE TAKE FURTHER NOTICE that, pursuant to 28 U.S.C. § 1746, under penalties of perjury, Craig Chobor hereby declares that he or she has examined this Declaration, and, to the best of his or her knowledge and belief, this Declaration is true, correct and complete.

[signature page follows]

³ Reflects most recent acquisitions.

Dated: March 30, 2012
New York, NY

Respectfully submitted,

Solus Alternative Asset Management LP

By: 

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