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**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	
)		

**TSC DEBTORS’ MOTION FOR AN ORDER AUTHORIZING ENTRY INTO A
CONSULTING AGREEMENT WITH RKF ENGINEERING SOLUTIONS, LLC**

The TSC Debtors seek entry of an order, substantially in the form attached hereto as Exhibit A, approving TSC’s entry into a consulting agreement (the “*Agreement*”), attached hereto as Exhibit B, with RKF Engineering Solutions, LLC (“*RKF Engineering*”). In support of this Motion,² the TSC Debtors respectfully submit 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: (a) TerreStar Corporation (“*TSC*”) [6127] 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 The TSC Debtors have previewed the terms of the Motion with Elektrobot and those preferred shareholders with whom the TSC Debtors have been working.

I. JURISDICTION

1. This 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 section 363(b) of title 11 of the United States Code (the “*Bankruptcy Code*”) and Rule 6004 of the Federal Rules of Bankruptcy Procedure (the “*Bankruptcy Rules*”).

II. BACKGROUND

4. On October 19, 2010 (the “*October Petition Date*”) and February 16, 2011 (the “*Petition Date*”), the Other TSC Debtors³ and the February Debtors, respectively, filed petitions with this Court under chapter 11 of the Bankruptcy Code. The TSC Debtors are operating their business and managing their property as debtors in possession pursuant to Bankruptcy Code sections 1107(a) and 1108.

5. On October 29, 2010, the United States Trustee for the Southern District of New York (the “*U.S. Trustee*”) appointed an official committee of unsecured creditors (the “*TSN Committee*”) of the October Debtors.⁴ No statutory committees have been appointed or designated in the February Debtors’ cases.

6. A detailed description of the TSC Debtors’ business and the reasons for filing these chapter 11 cases are set forth in the *Declaration of Jeffrey W. Epstein Pursuant to Local Bankruptcy Rule 1007-2 in Support of First Day Pleadings* (the “*First Day Declaration*”), which

³ Also on the October Petition Date, TerreStar Networks Inc. (“*TSN*”) and certain of its affiliated debtors (collectively, the “*TSN Debtors*,” and together with the Other TSC Debtors, the “*October Debtors*”) each filed a petition with this Court under chapter 11 of the Bankruptcy Code.

⁴ The TSN Debtors have confirmed and consummated their chapter 11 plan. Therefore, the TSN Committee is no longer in existence.

was filed contemporaneously with the February Debtors' voluntary petitions for relief under chapter 11 of the Bankruptcy Code.

7. On October 20, 2010, the Court entered an order providing for the joint administration of the Other TSC Debtors' cases with the other October Debtors' cases for procedural purposes styled as *In re TerreStar Networks Inc., et al.*, Case No. 10-15446 (SHL). Contemporaneously with the filing of the petitions for the February Debtors, the Other TSC Debtors requested that their cases be de-consolidated from the cases of the October Debtors, and the TSC Debtors sought procedural consolidation and joint administration of the chapter 11 cases of the Other TSC Debtors and the February Debtors under the case number of TSC. On February 23, 2011, the Court entered orders amending joint administration of the October Debtors' chapter 11 cases and providing for the joint administration of the TSC Debtors' cases for procedural purposes, styled as *In re TerreStar Corporation, et al.*, Case No. 11-10612 (SHL).

8. On January 12, 2012, the TSC Debtors filed the *Second Amended Joint Chapter 11 Plan of TerreStar Corporation, Motient Communications Inc., Motient Holdings Inc., Motient License Inc., Motient Services Inc., Motient Ventures Holding Inc., MVH Holdings Inc., TerreStar Holdings Inc. and TerreStar New York Inc.* [Docket No. 336] (as amended, the "**Plan**") and its accompanying disclosure statement [Docket No. 338] (as amended, the "**Disclosure Statement**"). The Court approved the adequacy of the Disclosure Statement and the TSC Debtors' proposed solicitation and voting procedures by order entered January 17, 2012 [Docket No. 343]. On February 8, 2012, the TSC Debtors filed the plan supplement documents, as contemplated by the Plan [Docket No. 364].

9. TSC's primary asset is its equity interest in TerreStar Holdings Inc. ("**TS Holdings**"), its wholly owned subsidiary, which owns TerreStar 1.4 Holdings LLC ("**1.4**

Holdings)⁵ 1.4 Holdings has the rights to use 1.4 GHz terrestrial spectrum (“*1.4 Spectrum*”) pursuant to 64 FCC licenses (the “*FCC Licenses*”) held by 1.4 Holdings.

10. To maintain their interest in the 1.4 Spectrum, 1.4 Spectrum licensees must make a showing of “substantial service” in their license area within the initial license term (10 years). Substantial service is defined as service that is sound, favorable, and substantially above a level of mediocre service that might minimally warrant renewal. Any licensee that fails to meet this requirement will forfeit its license, and the licensee will be ineligible to regain it.

11. In September 2009, 1.4 Holdings entered into a lease agreement (the “*Spectrum Lease*”)⁶ with One Dot Four Corp. (“*One Dot Four*”), a subsidiary of LightSquared, Inc. (“*LightSquared*”),⁷ whereby One Dot Four leased the rights to use the 1.4 Spectrum for which 1.4 Holdings holds the FCC Licenses. Pursuant to the Spectrum Lease, One Dot Four was obligated to pay 1.4 Holdings \$2 million per month on the first day of each month (each, a “*Lease Agreement Payment*”). Under the Spectrum Lease One Dot Four agreed to use the 1.4 Spectrum in a manner and within the time period that would satisfy the “substantial service” requirement. On or about April 1, 2012, however, One Dot Four defaulted on its Lease Agreement Payment due 1.4 Holdings. As a result, 1.4 Holdings issued a notice of default to One Dot Four with respect to the Spectrum Lease on April 3, 2012. Thereafter, One Dot Four and 1.4 Holdings agreed to terminate the Spectrum Lease as of April 20, 2012.

⁵ 1.4 Holdings is neither a TSC Debtor nor a TSN Debtor.

⁶ The lease agreement entered into in September 2009 was a spectrum manager lease agreement. In July 2010, 1.4 Holdings and One Dot Four sought and received FCC consent to replace the spectrum manager lease agreement with a long-term de facto transfer lease agreement, which was amended on October 13, 2010.

⁷ LightSquared (f/k/a SkyTerra Communications, Inc.) is an affiliate of Harbinger Capital Partners LLC.

12. Because the 1.4 Spectrum is no longer encumbered by the Spectrum Lease,⁸ the TSC Debtors, in the exercise of prudent business judgment and in consultation with their stakeholders, need to explore their options with respect to their indirect ownership of the 1.4 Spectrum.⁹

13. Any transaction regarding the 1.4 Spectrum will require a full understanding of the 1.4 Spectrum, which is a highly technical asset. Certain characteristics of the 1.4 GHz band render the 1.4 Spectrum unique and difficult to compare to other spectrum bands. Accordingly, the TSC Debtors seek to enter into an agreement with RKF Engineering to assist them in evaluating the technical and engineering aspects of the 1.4 Spectrum.

14. RKF Engineering is an engineering firm specializing in communication networks and satellite systems, including regulatory expertise, system engineering designs, and custom software development. Accordingly, RKF Engineering is uniquely qualified to assist the TSC Debtors with issues relating to the 1.4 Spectrum and the FCC Licenses.

15. Pursuant to the terms of the proposed Agreement, RKF Engineering will assist the TSC Debtors by informing their decision-making with respect to any potential disposition of the 1.4 Spectrum. The resources, capabilities and experience of RKF Engineering in advising the TSC Debtors are crucial to the TSC Debtors' successful restructuring. Broadly speaking, RKF Engineering will assist the TSC Debtors in analyzing the technical and engineering aspects of the 1.4 Spectrum and potential scenarios for maximizing the value of their primary assets. The TSC

⁸ Recently, 1.4 Holdings entered into a short-term lease agreement with FirstEnergy Service Company whereby FirstEnergy Service Company is leasing the right to use a geographically small portion of the 1.4 Spectrum over the next year subject to certain termination rights.

⁹ To that end, the TSC Debtors are examining a number of potential scenarios, including (a) marketing the 1.4 Spectrum through a sale of either the 1.4 Spectrum or the sale of the TSC's equity interest in TS Holdings, (b) marketing a lease of the 1.4 Spectrum, and (c) maintaining their equity interest in the 1.4 Spectrum. While each of these scenarios is a possible long-term solution, the TSC Debtors intend to file an amended Plan in the near term, which is similar in many respects to the previous version of the Plan filed on January 12, 2012, but includes, among other things, a larger exit facility.

Debtors anticipate that RKF Engineering will provide the following services, among others, relating to the 1.4 Spectrum pursuant to the Agreement:

- (a) analyze services for the band and the ability to share with adjacent bands, identifying and analyzing band sharing issues and mitigation strategies, and identifying service offerings appropriate for the band;
- (b) assist in reviewing all FCC and restrictions concerning the 1.4 Spectrum;
- (c) assist in the technical evaluation of the 1.4 Spectrum from an engineering perspective;
- (d) assist in the development of technical data and presentations to the TSC Debtors;
- (e) analyze the potential impact of any scenario on the requirement that licensees must make a showing of substantial service to maintain the FCC Licenses;
- (f) provide technical and engineering consulting with regard to potential value-maximizing uses of the 1.4 Spectrum;
- (g) provide technical advice on various alternatives; and
- (h) provide such other consulting services as are customarily provided in connection with the analysis of the 1.4 Spectrum as are reasonably requested.

16. The Agreement provides for a one-time payment to RKF Engineering of an advisory fee of \$45,000. The TSC Debtors believe that this compensation rate is consistent with RKF Engineering's standard rates charged to clients and typical of rates RKF Engineering and other comparable engineering firms charge with respect to rendering similar service of this nature for clients such as the TSC Debtors.

17. The TSC Debtors submit that entry into the Agreement with RKF Engineering at this time is in the best interest of the TSC Debtors, their creditors and all parties in interest.

III. RELIEF REQUESTED

18. By this Motion, the TSC Debtors request entry of an order, pursuant to Bankruptcy Code sections 363(b) and Bankruptcy Rule 6004, authorizing TSC to enter into the

Agreement, in accordance with the terms and conditions set forth in the Agreement, which are incorporated by reference herein.

IV. SUPPORTING AUTHORITY

19. The TSC Debtors seek authority to enter into the Agreement pursuant to Bankruptcy Code section 363(b). Section 363(b)(1) provides, in relevant part, that “the trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate” 11 U.S.C. § 363(b)(1). The use, sale, or lease of property of the estate, other than in the ordinary course of business, is authorized when a “good business reason” exists for the use of such assets. *See, e.g., Official Comm. of Unsecured Creditors v. Enron Corp. (In re Enron Corp.)*, 335 B.R. 22, 27-28 (S.D.N.Y. 2005) (quoting *In re Lionel Corp.*, 722 F.2d 1063, 1071 (2d Cir. 1983)); *In re Global Crossing Ltd.*, 295 B.R. 726, 743 (Bankr. S.D.N.Y. 2003).

20. When a valid business justification exists, the law vests the debtor’s decision to use property out of the ordinary course of business with a strong presumption that “in making a business decision the directors of a corporation acted on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the company.” *Official Comm. of Subordinated Bondholders v. Integrated Res., Inc. (In re Integrated Res., Inc.)*, 147 B.R. 650, 656 (S.D.N.Y. 1992) (quoting *Smith v. Van Gorkom*, 488 A.2d 858, 872 (Del. 1985)). “Where the debtor articulates a reasonable basis for its business decisions (as distinct from a decision made arbitrarily or capriciously), courts will generally not entertain objections to the debtor’s conduct.” *Comm. of Asbestos-Related Litigants v. Johns-Manville Corp. (In re Johns-Manville Corp.)*, 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986). Courts in this District consistently have declined to interfere with corporate decisions absent a showing of bad faith, self-interest, or gross negligence, and have upheld a board’s decisions as long as such decisions are attributable to any

“rational business purpose.” *Integrated*, 147 B.R. at 656 (quoting *CRTF Corp. v. Federated Dep’t Stores*, 683 F. Supp. 422, 436 (S.D.N.Y. 1988)). In addition, courts in this District have upheld debtors’ decisions to retain consultants pursuant to Bankruptcy Code section 363(b) when such decision is supported by a sound business justification. *See In re Chemtura Corp.*, No. 09-11233 (REG) (Bankr. S.D.N.Y. Aug. 30, 2010) (authorizing debtors’ retention of consultants pursuant to section 363(b)(1)); *In re 1031 Tax Group, LLC*, 2007 WL 2085384, at *5 (Bankr. S.D.N.Y. July 17, 2007) (same); *see also In re Pilgrim’s Pride Corp.*, 401 B.R. 229, 237-40 (Bankr. N.D. Tex. 2009) (same).

21. For all of the reasons articulated herein, the TSC Debtors believe that entry into the Agreement is well within their sound business judgment. The TSC Debtors believe it is in the best interests of their estates and creditors to expeditiously identify and aggressively pursue scenarios to maximize the value of the 1.4 Spectrum. Entry into the Agreement will facilitate that process and ultimately assist the TSC Debtors in a successful restructuring for the benefit of their creditors and other parties in interest.

V. MOTION PRACTICE

22. This Motion includes citations to the applicable rules and statutory authorities upon which the relief requested herein is predicated and a discussion of their application to this Motion. Accordingly, the February Debtors submit that this Motion satisfies Local Rule 9013-1(a).

VI. NOTICE

23. The TSC Debtors have provided notice of this Motion to: (a) the Office of the United States Trustee for the Southern District of New York; (b) the entities listed on the TSC Debtors’ Consolidated List of Creditors Holding the 30 Largest Unsecured Claims filed pursuant to Bankruptcy Rule 1007(d); (c) NexBank, SSB as agent for the lenders under the Bridge Loan

Agreement; (d) Weil, Gotshal & Manges LLP as counsel to Harbinger Capital Partners LLC and certain of its managed and affiliated funds; (e) Wachtell, Lipton, Rosen & Katz as counsel to Highland Capital Management, L.P. and certain of its managed and affiliated funds; (f) Quinn Emanuel Urquhart & Sullivan, LLP as counsel to Solus Alternative Asset Management LP; (g) Richard Kibbe & Orbe LLP as counsel to West Face Long Term Opportunities Global Master L.P.; (h) the Internal Revenue Service; (i) the Securities and Exchange Commission; (j) the United States Attorney for the Southern District of New York; and (k) 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 TSC Debtors respectfully submit that no further notice is necessary.

WHEREFORE, for the reasons set forth herein, the TSC Debtors respectfully request that the Court enter an order, substantially in the form of the proposed order attached hereto as Exhibit A, (a) authorizing TSC's entry into the Agreement and (b) granting such other and further relief as is just and proper.

New York, New York
Dated: June 15, 2012

/s/ Ira S. Dizengoff

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EXHIBIT A

Proposed Order

**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
)	

**ORDER PURSUANT TO BANKRUPTCY CODE SECTION 363(b)
AUTHORIZING ENTRY INTO A CONSULTING AGREEMENT
WITH RKF ENGINEERING SOLUTIONS, LLC**

Upon the motion (the “*Motion*”)² of the TSC Debtors for the entry of an order, pursuant to section 363(b) of title 11 of the United States Code (the “*Bankruptcy Code*”) authorizing entry into that certain Agreement with RKF Engineering; this Court finds and concludes that the Court has jurisdiction over the subject matter of the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; this is a core proceeding pursuant to 28 U.S.C. § 157(b); the legal and factual bases set forth in the Motion and on the record at the hearing establish just cause for the relief granted herein; the relief requested in the Motion is in the best interests of the TSC Debtors, their estates and their creditors; notice of the Motion was sufficient, and no other or further notice need be provided; 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.

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] 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 together with the February Debtors, the “*TSC Debtors*”).

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

2. Pursuant to Bankruptcy Code section 363(b), the TSC Debtors are hereby authorized to enter into the Agreement.

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

4. This Court shall retain jurisdiction with respect to all matters arising from or relating to the implementation of this order.

5. Notwithstanding the possible applicability of Rule 6004(h) of the Federal Rules of Bankruptcy Procedure, the terms and conditions of this order shall be immediately effective and enforceable upon its entry.

Date: _____, 2012
New York, New York

United States Bankruptcy Judge

EXHIBIT B

Agreement with RKF Engineering Solutions LLC

CONSULTING AGREEMENT

This Agreement is made as of June [], 2012, by and between RKF ENGINEERING, LLC, a Delaware Limited Liability Company with offices at 1229 Nineteenth Street, NW, Washington DC 20036 ("RKF"), and TerreStar Corporation, a Delaware corporation with located at 344 Maple Avenue North, #275, Vienna, VA 22180 ("TerreStar" and, together with RKF, the "Parties").

1. Engagement of RKF; Consulting Tasks. (a) TerreStar hereby engages RKF, and RKF hereby agrees, to advise TerreStar on the following matter, achieve the following objective or deliver the following work product ("consulting tasks") and shall prepare a written report regarding same (the "Report"):

- (a) analyze services for the 1.4GHz band ("1.4 Spectrum") and the ability to share with adjacent bands, identifying and analyzing band sharing issues and mitigation strategies, and identifying service offerings appropriate for the band;
- (b) assist in reviewing all FCC and restrictions concerning the 1.4 Spectrum;
- (c) assist in the technical evaluation of the 1.4 Spectrum from an engineering perspective;
- (d) assist in the development of technical data and presentations to TerreStar;
- (e) analyze the potential impact of any scenario on the requirement that licensees must make a showing of substantial service to maintain the FCC Licenses;
- (f) provide technical and engineering consulting with regard to potential value-maximizing uses of the 1.4 Spectrum;
- (g) provide technical advice on various alternatives; and
- (h) provide such other consulting services as are customarily provided in connection with the analysis of the 1.4 Spectrum as are reasonably requested.

TerreStar understands and agrees that the manner and means used by RKF to accomplish the consulting tasks is in the sole discretion and control of RKF. However, RKF will utilize the highest degree of skill and expertise in order to professionally accomplish the consulting tasks in a timely fashion.

2. Term. RKF commenced work under this Agreement on June [], 2012. This Agreement shall remain effective until three months from the date hereof (or the earlier completion of the consulting tasks set out above), unless the Agreement is extended by mutual written consent of the parties or terminated earlier pursuant to its terms. If TerreStar authorizes RKF to continue work on the consulting tasks after expiration of the term hereof, then the term of this Agreement shall continue for the purpose of Sections 8, 9, and 11 until such additional work is completed, subject to any earlier termination under Section 13.

3. Time Commitment. Except where the nature of the consulting tasks requires that they be performed at specific times, RKF is free to choose the specific times at which work will be performed. However, RKF shall devote sufficient time to the consulting tasks to complete them within the period agreed by RKF and TerreStar.

4. Compensation. TerreStar shall pay RKF the flat fixed fee of FORTY FIVE THOUSAND DOLLARS (\$45,000) for work performed in accordance with Sections 1 and 3, plus expenses (as set forth in Sections 5 and 6). RKF shall submit an invoice(s) to TerreStar for such fees, making reference to the

purchase order number assigned by TerreStar to this Agreement, and such fees shall be paid in full within fifteen days of its receipt.

5. Travel. Upon reasonable request by TerreStar, RKF shall travel to appropriate locations (such as TerreStar facilities, clinical sites, customer locations or vendor facilities) to perform the consulting tasks (where the nature of such tasks so requires) or to discuss the consulting tasks; provided, however, that travel expenses in excess of \$5,000 in the aggregate shall be approved by TerreStar prior to incurrence.

6. Expenses. TerreStar shall reimburse RKF for actual, reasonable and necessary expenses incurred in performing the consulting tasks (including reasonable costs of travel outside RKF's geographic area, but not including any general office or overhead expenses), but RKF shall provide TerreStar with documented and itemized expense report and receipts for all expenses.

7. Reserved.

8. Confidentiality of Protected Information.

(a) Definition. "Protected Information" consists of:

- (i) information that either Party identifies as proprietary and/or confidential and which was previously or is hereafter disclosed or made available to the Other Party, including information relating to a Party's business that becomes available to due to the Other Party's access to a Party's information business in the course of performance hereunder; and
- (ii) information that has been or is created, developed, conceived, reduced to practice or discovered by a Party using any Protected Information of the Other Party; provided, however, that the Report shall not be deemed Protected Information and may be shared, at the sole discretion of TerreStar, with third parties.

As used herein, "Protected Information" may include, without limitation, inventions, discoveries, developments, improvements, trade secrets, know-how, ideas, techniques, designs, processes, formulae, data and software (collectively, "Intellectual Property"); plans for research, development, new products, marketing and selling; budgeting and financial information; production and sales information including prices, costs, quantities and information about suppliers and customers; information about business relationships; and information about skills and compensation of a Party's employees and RKF's.

(b) Non-Disclosure; Restricted Use. At all times hereafter, each Party shall: hold Protected Information in strictest confidence; not disclose Protected Information to any third Party without written consent of the Disclosing Party; take all reasonable steps to safeguard Protected Information; and not use Protected Information for any purpose other than in the context of performance of this Agreement.

(c) Exclusions. This Section 8 shall impose no restrictions on use and disclosure of any information which a Party can establish by legally sufficient evidence: (i) was otherwise known to it at the time of disclosure; or (ii) becomes known or available to it without restriction from a third Party without violation of any confidentiality or nondisclosure obligation; or (iii) is or hereafter becomes part of the public domain without violation of this Agreement by a Party.

(d) RKF's Employees and RKF's. Each Party agrees to limit disclosure of the other Party's Protected Information to only those of its employees with a need to know

such information in order to cooperate in the performance of work hereunder, and to secure the written agreement of all such employees to abide by the provisions of this Agreement.

- (e) Third Party Information. The use and disclosure restrictions in this Section 8 shall also apply to proprietary or confidential information of a third party received by a Party hereto pursuant to the terms of this Agreement.

9. Ownership of Protected Information; Inventions.

- (a) Ownership. Nothing in this Agreement shall be read to grant any interest in any Intellectual Property or Protected Information of one Party to the other Party. Unless otherwise expressly agreed to the contrary herein, each Party shall be and remain the sole owner of its Intellectual Property and Protected Information, and nothing herein shall be read to describe the services of RKF as "commissioned work" or "work for hire" within the meaning of US or any other copyright law.

10. Reserved.

11. Time, Materials, and Facilities. Unless expressly agreed to the contrary by the Parties herein, RKF represents that RKF will: (a) perform its obligations hereunder solely in and on RKF's own time, solely with supplies and equipment provided by TerreStar or RKF (but not by any third party); and (b) perform work only at TerreStar's facilities or at RKF's facilities (but not at any third-party facilities unless TerreStar consents to the use of such facilities). Unless the nature of the consulting tasks requires that they be performed at a specific location, RKF may choose which of the foregoing locations will be used to perform the work.

12. Reserved.

13. Termination. This Agreement may be terminated by either Party for its convenience on thirty days' written notice to the other, regardless of whether or not the consulting tasks have yet been completed. On termination by TerreStar (but not on termination by RKF), or earlier on TerreStar's request, TerreStar shall pay RKF in full. On termination by either Party, or earlier on TerreStar's request, RKF shall deliver to TerreStar any supplies or equipment provided by TerreStar for use in performing the consulting tasks and preparing the Report, all materials produced under Section 12, and all physical property and documents or other media (including copies) that contain Protected Information of TerreStar.

14. Independent Contractor; No Employee Benefits. RKF shall at all times act as an independent contractor and not as an employee of TerreStar. Accordingly, RKF understands that TerreStar will not pay or withhold from payments to RKF under this Agreement any F.I.C.A. (social security), state unemployment or disability insurance premiums, state or federal income taxes, or other taxes and that RKF is responsible for paying its own federal taxes, state and federal income taxes (including estimated tax payments) and other applicable taxes. RKF and its employees will receive no TerreStar employee benefits of any kind including, for example, vacation, or health insurance.

15. Injunctive Relief. RKF recognizes that if RKF breaches or threatens to breach the provisions of Section 13 relating to return of materials to TerreStar, then TerreStar shall be entitled to an injunction restraining RKF from such breach in addition to pursuing any other remedy available to it.

16. Miscellaneous. Neither Party has any authority to bind the other in any way. This Agreement constitutes the entire agreement between the parties relating to the subject matter hereof. Except as expressly provided herein, this Agreement shall not be amended except by written agreement between the parties. No oral waiver, amendment, or modification shall be effective under any circumstances. If any term, covenant, or condition of this Agreement shall for any reason be held unenforceable by a court of competent jurisdiction, the rest of this Agreement shall remain in full force

and shall in no way be affected or impaired. The representations and warranties herein shall survive termination or expiration of this Agreement. This Agreement shall be governed and construed under New York law, excluding choice of law rules.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of date set forth above.

TERRESTAR Corporation

RKF Engineering Solutions LLC

By _____ **
(Signature)

By _____
(Signature)

(Print Name and Title)

(Print Name and Title)