Hearing Date: August 23, 2012 at 4:00 p.m. (ET)

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
TERRESTAR CORPORATION, *et al.*,[1]	)	Case No. 11-10612 (SHL)
Debtors.	)	Jointly Administered

NOTICE OF FILING OF AMENDED EXHIBITS TO THE SECOND AMENDED DISCLOSURE STATEMENT FOR THE THIRD 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.

PLEASE TAKE NOTICE that on January 12, 2012, the TSC Debtors filed the *Second Amended Disclosure Statement for the Second Amended Joint Chapter 11 Plan of TerreStar Corporation, Motient Communications Inc., Motient Holdings Inc., Motient License Inc.,*

[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***"); (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***").

Motient Services Inc., Motient Ventures Holding Inc., MVH Holdings Inc., TerreStar Holdings Inc. and TerreStar New York Inc. [Docket No. 338] (the "***Second Amended Disclosure Statement***" and, as the same may be amended, supplemented or modified, the "***Disclosure Statement***").

PLEASE TAKE FURTHER NOTICE that on January 17, 2012, the Court entered an order approving the adequacy of the information contained in the Second Amended Disclosure Statement [Docket No. 343].

PLEASE TAKE FURTHER NOTICE that on June 27, 2012, the TSC Debtors filed (a) the *Third 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. 513]; (b) the *First Supplement to the Second Amended Disclosure Statement for the Third Amended Joint Chapter 11 Plan of the TSC Debtors* [Docket No. 515]; and (c) the *Motion for Entry of an Order (A) Approving the First Supplement to the Second Amended Disclosure Statement for the Third Amended Joint Chapter 11 Plan of the TSC Debtors; (B) Approving Related Notice and Objection Procedures; (C) Approving Amended Forms of Ballots for the Solicitation of Votes To Accept or Reject the Third Amended Plan; and (D) Scheduling Confirmation Hearing* [Docket No. 516] (the "***Disclosure Statement Supplement Motion***").

PLEASE TAKE FURTHER NOTICE that on August 10, 2012, the TSC Debtors filed the *First Amended Supplement to the Second Amended Disclosure Statement for the Third Amended Joint Chapter 11 Plan of the TSC Debtors* [Docket No. 564].

PLEASE TAKE FURTHER NOTICE that to supplement the Disclosure Statement, the TSC Debtors are filing certain amended exhibits to the Disclosure Statement attached hereto and listed in the following table:

Document	Exhibit to Disclosure Statement
Liquidation Analysis	Exhibit D
Financial Projections	Exhibit E
Valuation Analysis	Exhibit F

PLEASE TAKE FURTHER NOTICE that a hearing (the "*Hearing*") to consider the Disclosure Statement (as supplemented) and the Disclosure Statement Supplement Motion will be held before the Honorable Sean H. Lane, United States Bankruptcy Judge, in Room 701 of the United States Bankruptcy Court, Alexander Hamilton Custom House, One Bowling Green, New York, New York 10004, on August 23, 2012 at 4:00 p.m. (prevailing Eastern time).

The TSC Debtors have served this notice on: (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 and as agent for the TSC Debtors' proposed post-petition debtor-in-possession financing; (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 NexBank, SSB, the agent under the Bridge Loan and the agent for the TSC Debtors' proposed post-petition debtor-in-possession financing; (f) Richards Kibbe & Orbe LLP as counsel to West Face Long Term Opportunities Global Master L.P.; (g) the Internal Revenue Service; (h) the Securities and Exchange Commission; (i) the United States Attorney for the Southern District of New York;

(j) the Federal Communications Commission; 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.

New York, New York
Dated: August 15, 2012

/s/ Ira S. Dizengoff

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Amended Exhibit D to the Disclosure Statement

Liquidation Analysis

LIQUIDATION ANALYSIS

I. Introduction

Section 1129(a)(7) of the Bankruptcy Code[(1)] requires that each holder of an impaired Allowed Claim or Equity Interest either (i) accept the Plan or (ii) receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the value such holder would receive or retain if the TSC Debtors were liquidated under chapter 7 of the Bankruptcy Code on the Effective Date of the Plan. To demonstrate that the Plan satisfies this standard, the TSC Debtors, in consultation with their legal and financial advisors, have prepared the Liquidation Analysis, which (a) estimates the realizable value of the TSC Debtors (the "***Liquidating Debtors***") under a hypothetical chapter 7 liquidation (the "***Liquidation***") and (b) estimates the distribution to creditors resulting from the Liquidation.

The Liquidation Analysis is based on a number of estimates and assumptions that are subject to significant economic, competitive and operational uncertainties and contingencies. Further, Allowed Claims against the Liquidating Debtors' estates could vary materially from the estimates set forth in the Liquidation Analysis. Accordingly, while the information contained in the Liquidation Analysis is presented with numerical specificity, the TSC Debtors make no assurances that the asset values and Claim amounts presented in the Liquidation Analysis would not vary materially from actual amounts in the event of a chapter 7 liquidation.

Following is a summary of certain assumptions used in the Liquidation Analysis. The notes to the Liquidation Analysis provide additional assumptions and should be read in conjunction with the Liquidation Analysis.

II. General Assumptions

The Liquidation Analysis assumes the conversion of the TSC Debtors' Chapter 11 Cases to chapter 7 cases on December 31, 2012 (the "***Conversion Date***"). On the Conversion Date, it is assumed that the Bankruptcy Court would appoint a chapter 7 trustee (the "***Trustee***") to oversee the Liquidation, which would be completed over a period of six months (the "***Liquidation Period***").

The Liquidation Analysis includes expenses expected to be incurred during the Liquidation Period, including those related to Trustee fees, legal fees and other professional fees and operating / wind-down expenses.

For purposes of the Liquidation Analysis, it is assumed that any Claims against the Other TSC Debtors are de minimis and will receive no distribution in the Liquidation. Furthermore, substantially all assets of the TSC Debtors are held at TSC or TS

[(1)] Capitalized terms used and not defined herein shall have the meanings ascribed to them in the Disclosure Statement or the Plan, as applicable.

Holdings. Accordingly, if this Liquidation Analysis were presented on a debtor-by-debtor basis, recoveries to holders of Allowed Claims at any of the TSC Debtors would not materially increase.

It is assumed that the Bankruptcy Court has approved the proposed resolution of Elektrobit's claim against TSC and the proposed payment to Elektrobit has been made prior to the commencement of the Liquidation. It is further assumed that as the settlement results in, among other things, a reduction in the claims alleged by Elektrobit, the Trustee would not look to reverse the settlement.

III. Liquidation Analysis

Liquidation Analysis
Unaudited, $ in millions

Debtors' Assets	Note	Adj. Projected Book Value as of 12/31/2012	Estimated Liquidation Value Low	Estimated Liquidation Value High
Cash and cash equivalents	A	$ 0	$ 0	$ 0
Due from affiliated companies	B	129		
Deferred issuance costs towards bridge loan		3	-	-
Other current assets		0	-	-
Property and equipment, net		-	-	-
Intangible assets, net	C	177	80	100
Equity investments in affiliated companies		322	-	-
Total		**$ 633**	**$ 80**	**$ 100**
Costs associated with liquidation:	D			
Consultant costs			$ 0	$ 0
Chapter 7 trustee fees			(2)	(3)
Chapter 7 professional fees			(2)	(2)
Net Estimated Liquidation Proceeds Available for Distribution			**$ 76**	**$ 95**

Distribution Summary	Note	Estimated Allowable Claims	Estimated Recovery on Claims Low	Estimated Recovery on Claims High
DIP Claims	E			
DIP Facility		$ 18	$ 18	$ 18
Hypothetical recovery to holders of DIP Claims			100%	100%
Proceeds available after distributions on account of DIP Claims			58	78
Secured Claims				
Bridge Loan Claims	F	5	5	5
Hypothetical recovery to holders of Bridge Loan Claims			100%	100%
Proceeds available after distributions on account of Bridge Loan Claims			54	73
Priority Tax Claims				
Priority Tax Claims	G	0	0	0
Hypothetical recovery to holders of Priority Tax Claims			100%	100%
Proceeds available after distributions on account of Priority Tax Claims			54	73
Unpaid chapter 11 professional fees	H			
Unpaid professional fees as of Conversion Date		2	2	2
Hypothetical recovery to holders of claims for unpaid professional fees			100%	100%
Proceeds available after distributions on account of unpaid professional fees			52	71
Jefferies Settlement				
Jefferies settlement	I	1	1	1
Hypothetical recovery to Jefferies			100%	100%
Proceeds available after distributions on account of Jefferies settlement			51	71
Unsecured Claims				
General Unsecured Claims	J	8	8	8
Hypothetical recovery to holders of General Unsecured Claims			100%	100%
Proceeds available after distributions on account of General Unsecured Claims			43	63
Equity Interests				
Preferred TSC Interests		409	43	63
Hypothetical recovery to holders of Preferred TSC Interests			11%	15%
Proceeds available after distributions on account of Preferred TSC Interests			-	-
Other TSC Equity Interests				
Other TSC Equity Interests		NA	-	-
Hypothetical recovery to holders of Other TSC Equity Interests			0%	0%

Notes to Liquidation Analysis

Note A – Cash and cash equivalents

The amount shown for Cash and cash equivalents is an estimate of the TSC Debtors' Cash as of the Liquidation. To estimate the TSC Debtors' Cash as of the Liquidation, the projected book value of Cash and cash equivalents as of December 31, 2012, is adjusted for the following assumptions. It is assumed that FirstEnergy Service Company makes five lease payments to 1.4 Holdings in the amount of approximately $41,000 each during the Liquidation Period, pursuant to the terms of the short-term lease agreement whereby FirstEnergy Service Company is leasing the right to use a portion of the 1.4 Spectrum. Additionally, it is assumed that the TSC Debtors do not make any amortization payments toward the $16.5 million proposed DIP Facility (which, it is assumed, is approved by the Bankruptcy Court in August 2012) or Bridge Loan from December 2012 until the date of the Liquidation and cash interest is not paid during the same period.

Note B – Due from Affiliated Companies

Included in the amount shown for due from affiliated companies at TerreStar Networks Inc. is a note on account of which the TSC Debtors have asserted the Intercompany Funding Claim in the TSN Debtors' chapter 11 cases. Pursuant to Bankruptcy Court approved settlement agreements with Sprint and Jefferies, TSC's right to receive distributions under the TSN Plan on account of the Intercompany Funding Claim, up to $3.6 million in total, was automatically assigned to Sprint and Jefferies. It is currently assumed that distributions by the TSN Debtors on account of the Intercompany Funding Claim will amount to less than $3.6 million, therefore leaving no amounts that will inure to the benefit of the TSC Debtors on account of the Intercompany Funding Claim. The foregoing estimate reflects current assumptions concerning recoveries to unsecured creditors in the TSN Debtors' chapter 11 cases. These assumptions are subject to change.

Note C – Intangible Assets

As described in Exhibit F to the Disclosure Statement, Blackstone performed an analysis of the 1.4 Spectrum, which is held by a wholly-owned non-Debtor subsidiary of TS Holdings. For the purposes of the Liquidation Analysis, the TSC Debtors assume that the 1.4 Spectrum could be sold for $80 - $100 million in a forced sale in Liquidation. This range is based upon precedent spectrum auctions and transactions in spectrum bands in which Smart Grid systems have been deployed in the United States, adjusted to reflect the forced nature of the sale.

Note D - Costs Associated with Liquidation

Liquidation and wind-down costs for the orderly disposition of assets are estimated to include payments to consultants. Such costs are approximated at $40,000 per month during the Liquidation Period.

Trustee fees include those fees associated with the appointment of a chapter 7 trustee in accordance with section 326 of the Bankruptcy Code. Trustee fees are estimated based on the requirements of the Bankruptcy Code and experience in other similar cases and are calculated at 3% of the TSC Debtors' total liquidation value.

Fees for professionals (legal, investment banking, appraisal, brokerage and accounting) to assist the Liquidating Debtors and the Trustee with the Liquidation are assumed to start at approximately $500,000 per month, gradually declining to $250,000 per month during the Liquidation Period.

Note E – DIP Claims

The amount estimated outstanding under the DIP Facility as of the liquidation date is approximately $17.7 million. It is assumed that a holder of an Allowed DIP Claim will receive Cash in an amount equal to such Allowed DIP Claim. It is further assumed that the TSC Debtors do not make any amortization payments or cash interest payments on account of the DIP Facility from December 2012 until the completion date of the liquidation. Interest on the DIP Facility is assumed to accrue at the default rate from December 2012 through the completion date of the Liquidation.

Note F – Bridge Loan Claims

The amount estimated outstanding under the Bridge Loan Agreement as of the liquidation date is approximately $4.6 million. It is assumed that a holder of an Allowed Bridge Loan Claim will receive Cash in an amount equal to such Bridge Loan Claim. It is further assumed that the TSC Debtors do not make any amortization payments or cash interest payments on account of the Bridge Loan from December 2012 until the date of the Liquidation. Interest on the Bridge Loan is assumed to accrue at the default rate from the filing date through the date of liquidation.

Note G – Priority Tax Claims

The amount of Priority Tax Claims asserted against the TSC Debtors is currently estimated to be $0.06 million. For purposes of the Liquidation Analysis, it is assumed that a holder of a Priority Tax Claim will receive Cash in the amount of such Priority Tax Claim.

Note H – Unpaid Chapter 11 Professional Fees

For purposes of the Liquidation Analysis, it is assumed that approximately $1.7 million of chapter 11 professional fees will be outstanding at the Conversion Date. It is assumed that a holder of a claim for unpaid chapter 11 professional fees will receive Cash in the amount of such claim. The Blackstone transaction fee is assumed not to be paid.

Note I – Jefferies Settlement

Pursuant to agreements with Sprint and Jefferies, which were approved by the Bankruptcy Court, TSC's right to receive distributions under the TSN Plan on account of the Intercompany Funding Claim, up to $3.6 million in total, was automatically assigned to Sprint and/or Jefferies. Specifically, Sprint is entitled to receive any amount recoverable from TSN on account the Intercompany Funding Claim up to $2.6 million.(1) In the event the amount recoverable to the Intercompany Funding Claim exceeds $2.6 million, Jefferies will receive up to $1.0 million of such excess amount recoverable, subject to reduction by the amount of any recovery Jefferies receives on account of its stipulated unsecured claim in the TSN Debtors' chapter 11 cases. In the event that the total amount received by Jefferies from the Intercompany Funding Claim and its distributions in the TSN Debtors' chapter 11 cases is less than $1.0 million, the TSC Debtors will fund such shortfall with cash. It is currently assumed that such shortfall will amount to approximately $0.6 million. The foregoing estimates reflect current assumptions concerning recoveries to unsecured creditors in the TSN Debtors' chapter 11 cases. These assumptions are subject to change. In all events, these amounts will be paid ahead of other unsecured creditors, as they are already approved and must be paid pursuant to Bankruptcy Court order.

Note J – General Unsecured Claims

For purposes of the Liquidation Analysis, the TSC Debtors' management has assumed that Allowed Unsecured Claims will consist of estimated Allowed Unsecured Claims of $1.9 million, Claims asserted by TSN and 1.4 Holdings against TSC of $1.2 million, and incremental claims of $5.0 million to reflect additional Claims that may be asserted upon conversion of the TSC Debtors' Chapter 11 Cases to chapter 7 cases.(2)

(1) Sprint received $2.6 million on account of its agreement with the TSN Debtors in December 2011 (the "***Sprint Distribution***"). Pursuant to the approved stipulation with Sprint and the TSC Debtors, distributions on account of the Intercompany Funding Claim under the TSN Plan shall be reduced by the amount of the Sprint Distribution so as to reimburse the TSN Debtors for the Sprint Distribution.
(2) The estimated amount of Claims contained herein represents the TSC Debtors' best estimate of Claims against the TSC Debtors. The TSC Debtors are continuing to evaluate whether additional claim objections may be appropriate that would reduce the estimated amount of Claims.

Amended Exhibit E to the Disclosure Statement

Financial Projections

A. Purpose and Objectives

The TSC Debtors[1] prepared the Reorganized TerreStar Corporation Pro Forma Balance Sheet, Projected Income Statement, Projected Balance Sheet, and Projected Cash Flow Statement (collectively, the "***Financial Projections***") for the years 2013 through 2016 (the "***Projection Period***"). The Financial Projections are based on a number of assumptions made by the TSC Debtors' management with respect to the future performance of the TSC Debtors' operations. The Financial Projections and related assumptions in this Exhibit E are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Although the TSC Debtors' management has prepared the Financial Projections in good faith and believes the assumptions to be reasonable, the TSC Debtors can provide no assurance that such Financial Projections and assumptions will be realized. The Financial Projections do not reflect potential options available to the Reorganized TSC Debtors with respect to monetization of the 1.4 Spectrum including, but not limited to, a business plan predicated upon leasing the 1.4 Spectrum to one or more parties or a sale of the 1.4 Spectrum. As described in detail in the Disclosure Statement, a variety of risk factors could affect the TSC Debtors' actual financial results and must be considered. You are encouraged to read these risk factors in their entirety. See Article XI of the Disclosure Statement. The Financial Projections should be reviewed in conjunction with a review of the assumptions set forth in this Exhibit E, including the accompanying qualifications and footnotes. The actual results and financial condition of the TSC Debtors may differ materially from those presented in the Financial Projections.

The TSC Debtors did not prepare the Financial Projections with a view toward compliance with published guidelines of the Securities and Exchange Commission or guidelines established by the FASB, particularly for reorganization accounting. The TSC Debtors' independent accountants have neither examined nor compiled the Financial Projections and accordingly do not express an opinion or any other form of assurance with respect to the Financial Projections, assume no responsibility for the Financial Projections and disclaim any association with the Financial Projections.

All dollar amounts in the Financial Projections are US dollars unless otherwise indicated.

B. General Assumptions

1. Methodology

The Financial Projections have been prepared by the TSC Debtors' management and are based on the TSC Debtors' operating forecast for 2013-2016. The Financial Projections assume that the short-term lease agreement with FirstEnergy Service Company remains in effect under its current terms through May 2013.

2. Plan Consummation

The Financial Projections assume that the Plan will be confirmed and consummated by December 31, 2012.

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[1] Capitalized terms used and not defined herein shall have the meanings ascribed to them in the Disclosure Statement or the Plan, as applicable.

3. New TSC Notes

The Financial Projections assume that existing Unsecured Claims against the TSC Debtors are restructured into New TSC Notes with face amount equivalent to estimated Allowed Claims. Interest on the New TSC Notes will be paid in kind at a rate of 10.5% per year and will be secured by a second priority lien on the TSC Debtors' assets. The New TSC Notes mature in three years but may be extended for one additional year, at the option of the Reorganized TSC Debtors, upon the payment of a 1.50% fee and the delivery of a certificate of an officer of the Reorganized TSC Debtors that certifies that the Reorganized TSC Debtors will be able to repay or refinance the New TSC Notes during such one year extension period. For illustrative purposes, it is assumed that the Reorganized TSC Debtors will exercise the maturity extension. It is further assumed that the New TSC Notes will be repaid with the proceeds of a new financing facility prior to June 30, 2016 (alternatively, the New TSC Notes will be repaid in accordance with their terms upon a potential sale of the TSC Debtors' assets).

4. The Spectrum Lease

An indirect wholly-owned subsidiary of TerreStar Corporation, 1.4 Holdings, has the right to use 8 MHz of non-contiguous spectrum in the 1.4 GHz band which covers the entire population of the United States. In September 2009, 1.4 Holdings entered into the Spectrum Lease with One Dot Four, a subsidiary of LightSquared and an affiliate of Harbinger, under which One Dot Four leased the TSC Debtors' rights to use the 1.4 GHz terrestrial spectrum. One Dot Four and 1.4 Holdings agreed to terminate the Spectrum Lease, effective as of April 20, 2012.

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. Under the terms of the short-term lease agreement, FirstEnergy Service Company is required to make monthly lease payments to 1.4 Holdings in the amount of approximately $41,000. This FirstEnergy Service lease extends only through May 2013.

5. Exit Facility

The Plan provides that the TSC Debtors will seek approval for a single-draw term loan Exit Facility with an aggregate principal amount equal to not less than $[27.5] million less the amount of Cash on the TSC Debtors' balance sheet as of the Effective Date. The Exit Facility has a maturity date [three and one half years] from the date of issuance, and pays [PIK] interest at a rate of [8.5]% per year. Based upon the Financial Projections, $[27.5] million of proceeds from the Exit Facility will be sufficient to repay the Bridge Loan Claims and the DIP Facility and fund general corporate purposes through 2015. Based upon discussions to date, Blackstone and the TSC Debtors' management are highly confident that they will be able to raise the Exit Facility from certain existing holders of TSC Preferred Series A and B shares. It is assumed that the Exit Facility is refinanced on June 30, 2016.

C. Projected December 31, 2012 Balance Sheet and Reorganized TerreStar Corporation Pro Forma Balance Sheet

The Projected December 31, 2012 Balance Sheet was developed using the TSC Debtors' actual unaudited balance sheets through June 30, 2012 and rolled forward to December 31, 2012 based upon the TSC Debtors' management's projected operating results. On the Effective Date, actual results may differ due to a variety of factors, including as a result of the risk factors discussed in Article XI of the Disclosure Statement.

The Reorganized TerreStar Corporation Pro Forma Balance Sheet is based upon the Projected December 31, 2012 balance sheet adjusted to reflect changes arising from the consummation of the Plan. In particular, and consistent with the assumptions set forth above, the Reorganized TerreStar Corporation Pro Forma Balance Sheet assumes the TSC Debtors will have pro forma funded indebtedness of approximately $[29.4] million consisting of the $[27.5] million Exit Facility and approximately $1.9 million of New TSC Notes.

Pro Forma Condensed Consolidated Balance Sheet
Unaudited, $ in millions

	December 31, 2012		
ASSETS	**Projected**	**Pro Forma Adjustments**	**Pro Forma**
Cash and cash equivalents	$ 0.1	$ 3.7 (1)	$ 3.8
Notes due from TerreStar Networks Inc. including accrued interest	60.0	(60.0) (2)	-
Intercompany transfers	391.4	(391.4) (3)	-
Deferred issuance costs towards Bridge Loan	2.9	(2.9) (4)	-
Other current assets	0.3	-	0.3
Total current assets	454.8	(450.6)	4.2
Deferred tax asset	-	- (5)	-
Intangible assets, net	177.5	(177.5) (6)	-
Reorganization value in excess of fair value of assets	-	199.7 (7)	199.7
Total assets	$ 632.3	$ (428.4)	$ 203.8
LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY			
Deferred income taxes	$ 25.8	$ (25.8) (8)	$ -
Bridge Loan, net	4.2	(4.2) (9)	-
DIP Facility	16.5	(16.5) (10)	-
Exit Facility	-	27.5 (11)	27.5
New TSC Notes	-	1.9 (12)	1.9
Total liabilities not subject to compromise	46.5	(17.1)	29.4
Total liabilities subject to compromise	492.8	(492.8) (13)	-
Total liabilities	539.3	(509.9)	29.4
Total stockholders' equity	92.9	81.5 (14)	174.4
Total liabilities and stockholders' equity	$ 632.3	$ (428.4)	$ 203.8

Notes to the Pro Forma Condensed Consolidated Balance Sheet

(1) Cash and Cash Equivalents

The adjustment of $3.7 million reflects receipt of $27.5 million in proceeds from the Exit Financing less the payment of the DIP Claims ($16.5 million), Bridge Loan Claims ($4.2 million), Priority Tax Claims ($0.1 million), Convenience Class Claims ($0.1 million), Blackstone's Transaction Fee ($0.45 million), estimated unpaid professional fees accrued through the Confirmation Date ($1.7 million) and estimated cash due to Jefferies pursuant to a court-approved settlement ($0.6 million, calculated as $1.0 million less the estimated amount available for payment to Jefferies from the TSC Debtors' recoverable amount on account of the Intercompany Claim in the October Debtors' bankruptcy cases, consistent with Court approved settlement terms).

(2) Notes Due From TerreStar Networks Inc.

Upon emergence, the notes due from TerreStar Networks Inc. will be written off. Recoveries on account of these claims are reflected in the Cash and Cash Equivalents adjustment (See (1) above).

(3) Intercompany Transfers

The adjustment of $391.4 million is due to the write-off of amounts due from affiliated companies and TerreStar Global Ltd. upon emergence.

(4) Deferred Issuance Costs Towards Bridge Loan

The adjustment of $2.9 million is due to the write-off of deferred issuance costs associated with the Bridge Loan Agreement, which has been extinguished pursuant to the Plan.

(5) Deferred Tax Asset

The value of Deferred Tax Assets, if any, is subject to change upon application of fresh start accounting and, if recorded as an asset, will result in a corresponding reduction of Reorganization Value in Excess of Fair Value of Assets (See (7) below).

(6) Intangible Assets, Net

The adjustment of $177.5 million is due to the write-off of all intangible assets and the establishment of the asset Reorganization Value in Excess of Fair Value of Assets (See (7) below).

(7) Reorganization Value in Excess of Fair Value of Assets

The adjustment of $199.7 million reflects the excess of the fair market value of assets above tangible book value (implied in Blackstone's midpoint estimate of the total enterprise value of the Reorganized TSC Debtors). This adjustment is subject to change upon application of fresh start accounting and completion of related appraisals.

(8) Deferred Income Taxes

The adjustment of $25.8 million is due to the assumed write off of deferred tax liabilities. Any Deferred Income Taxes is subject to change upon application of fresh start accounting.

(9) Bridge Loan, Net

The adjustment of $4.2 million is due to the extinguishment of outstanding Bridge Loan Claims on the Effective Date.

(10) DIP Facility

The adjustment of $16.5 million is due to the repayment of outstanding DIP Claims on the Effective Date. The DIP balance reflects the payment to Elektrobit as contemplated in the 9019 settlement filed with the court on August 2, 2012.

(11) Exit Facility

The $[27.5] million adjustment represents receipt of proceeds from the Exit Facility.

(12) New TSC Notes

The $1.9 million adjustment to the New TSC Notes represents the distribution of the New TSC Notes to holders of Unsecured Claims as described in the Disclosure Statement.

(13) Liabilities Subject to Compromise

Upon emergence, the Reorganized TSC Debtors' liabilities subject to compromise will be written off.

(14) Stockholders' Equity

Adjustments to stockholders' equity are based on the estimated equity value of the Reorganized TSC Debtors of $174.4 million based on the assumed approximate mid-point TEV of $200 million less net debt of $25.6 million.

D. Reorganized TerreStar Corporation Projected Income Statement

The Reorganized TerreStar Corporation Income Statement sets forth the Reorganized TSC Debtors' forecasted net income, after giving effect to the proposed reorganization.

Pro Forma Condensed Consolidated Projected Statement of Operations
Unaudited, $ in millions

	Projected Income Statement for the Year Ended December 31,			
	2013	**2014**	**2015**	**2016**
Revenues				
1.4GHz lease revenue [1]	$0.2	$ -	$ -	$ -
Total revenue	0.2	-	-	-
Expenses				
Operating expenses [2]	(1.2)	(1.2)	(1.2)	(1.2)
Total operating expenses	(1.2)	(1.2)	(1.2)	(1.2)
EBITDA	(0.9)	(1.2)	(1.2)	(1.2)
Depreciation & amortization	-	-	-	-
Operating income	(0.9)	(1.2)	(1.2)	(1.2)
Cash interest expense [3]	-	-	(0.0)	(1.3)
Non-cash interest expense [3]	(2.5)	(2.8)	(3.0)	(3.9)
Income before taxes	(3.5)	(3.9)	(4.2)	(6.4)
Taxes [4]	1.4	1.6	1.7	2.6
Net income	($2.1)	($2.3)	($2.5)	($3.8)

Notes to the Pro Forma Condensed Consolidated Income Statement

(1) Revenue

The Reorganized TSC Debtors will generate revenue from the short-term lease agreement between TerraStar 1.4 Holdings Company LLC and FirstEnergy Service Company which expires in May 2013.

(2) Operating Expenses

The Reorganized TSC Debtors' expenses predominantly relate to staff, insurance, legal, governance and reporting costs.

(3) Interest Expense

Interest expense projections are based on the Reorganized TSC Debtors' estimated post-emergence capital structure assumed to be effective on December 31, 2012. The post-emergence debt is comprised of the Exit Facility and New TSC Notes with [PIK] coupons of [8.5]% and 10.5%, respectively. For illustrative purposes, it is assumed that the Exit Facility and New TSC Notes are refinanced on June 30, 2016, with a new debt facility with principal amount of $44.0 million and PIK interest rate of 10.5% per annum. The Financial Projections assume that a 1.5% cash fee is paid on December 31, 2015, to extend the maturity of the New TSC Notes and a 3.0% cash fee is paid on June 30, 2016, to refinance the Exit Facility and New TSC Notes.

(4) Income Taxes

It is assumed that no valuation allowance will be taken against the income tax benefit shown herein. A valuation allowance will not have a material impact on the Reorganized TSC Debtors' projected financial performance.

E. Reorganized TerreStar Corporation Balance Sheets

The Reorganized TerreStar Corporation Balance Sheets set forth the projected financial position of the Reorganized TSC Debtors, after giving effect to the projected December 31, 2012 Balance Sheet, the proposed reorganization and related pro forma adjustments described in this Exhibit E. The Reorganized TerreStar Corporation Balance Sheets were developed based upon the projected results of operations and cash flows over the Projection Period.

Pro Forma Condensed Consolidated Projected Balance Sheet
Unaudited, $ in millions

	Projected Balance Sheet for the Year Ended December 31,			
	2013	**2014**	**2015**	**2016**
ASSETS				
Current assets				
Cash and cash equivalents	$2.9	$1.7	$0.5	$2.7
Notes due from TerreStar Networks Inc.	-	-	-	-
Other current assets	0.3	0.3	0.3	0.3
Total current assets	3.2	2.1	0.9	3.0
Property and equipment, net	-	-	-	-
Equity in TerreStar Networks Inc.	-	-	-	-
Deferred tax asset	1.4	3.0	4.8	7.4
Reorganization value in excess of fair value of assets	199.7	199.7	199.7	199.7
Total assets	$204.3	$204.7	$205.3	$210.1
LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY				
Current liabilities				
Accounts payable and accrued expenses	$ -	$ -	$ -	$ -
Deferred revenue	-	-	-	-
Deferred income taxes	-	-	-	-
Exit Financing	29.8	32.4	35.1	0.0
New TSC Notes	2.1	2.3	2.6	-
New financing	-	-	-	46.3
Total liabilities	32.0	34.7	37.7	46.3
Stockholders' equity				
Retained earnings	172.3	170.0	167.6	163.8
Total TerreStar Corporation stockholders' equity	172.3	170.0	167.6	163.8
Total liabilities and stockholders' equity	$204.3	$204.7	$205.3	$210.1

F. Reorganized TerreStar Corporation Statement of Cash Flows

The Reorganized TerreStar Corporation Statement of Cash Flows sets forth the Reorganized TSC Debtors' forecasted change in cash, after giving effect to the proposed reorganization.

Pro Forma Condensed Consolidated Projected Statement of Cash Flows
Unaudited, $ in millions

	Projected Statement of Cash Flows for the Year Ended December 31,			
	2013	**2014**	**2015**	**2016**
Operating Activities				
Net income (loss)	($2.1)	($2.3)	($2.5)	($3.8)
Change in deferred tax asset	(1.4)	(1.6)	(1.7)	(2.6)
Non-cash interest expense	2.5	2.8	3.0	3.9
Change in deferred revenue	-	-	-	-
Net Cash from operating activities	(0.9)	(1.2)	(1.2)	(2.5)
Investing Activities				
Capital expenditures	-	-	-	-
Net Cash from investing activities	-	-	-	-
Financing Activities				
Exit Financing	-	-	-	(36.6)
New TSC Notes	-	-	-	(2.7)
New financing	-	-	-	44.0
Dividend	-	-	-	-
Net Cash from financing activities	-	-	-	4.6
Net change in Cash & Cash equivalents	($0.9)	($1.2)	($1.2)	$2.2
Beginning Cash	$3.8	$2.9	$1.7	$0.5
Change in Cash	(0.9)	(1.2)	(1.2)	2.2
Ending Cash	$2.9	$1.7	$0.5	$2.7

Amended Exhibit F to the Disclosure Statement

Valuation Analysis

VALUATION ANALYSIS

A. VALUATION OF THE REORGANIZED TSC DEBTORS

For purposes of the Plan, TSC Debtors' management has asked Blackstone to estimate the reorganization value of the TSC Debtors on the basis of a going concern after giving effect to the implementation of the Plan (the "***Reorganization Value***"). The primary asset of the TSC Debtors is their equity interest in non-debtor TerreStar 1.4 Holdings LLC ("***1.4 Holdings***"), which holds certain licenses for the 1.4 Spectrum.

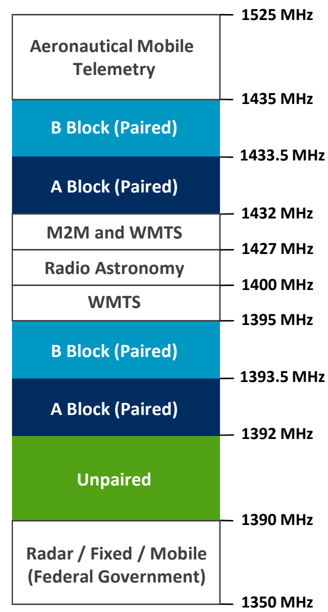
As disclosed, 1.4 Holdings previously entered into a lease of the 1.4 Spectrum pursuant to a Spectrum Lease, and Blackstone's estimate of the Reorganization Value of the TSC Debtors included in the First Amended Disclosure Statement dated December 27, 2011 was premised on the lease payments and purchase option contained within the Spectrum Lease. Effective April 20, 2012, the Spectrum Lease was terminated. As a result, and subsequent to the termination of the Spectrum Lease, the TSC Debtors' management retained RKF Engineering Solutions, LLC ("***RKF***")[1] to evaluate alternative uses of the 1.4 Spectrum. RKF issued a report to the TSC Debtors summarizing their conclusions, and Blackstone's updated estimate of the Reorganization Value included in this Second Amended Disclosure Statement Supplement is premised upon our evaluation of the conclusions included within the RKF report as well as discussions with the TSC Debtors' management. Blackstone assumed and relied upon the accuracy and completeness of all financial and other information furnished to it by the TSC Debtors, RKF, as well as publicly available information in preparation of its valuation assessment.

The preparation of a valuation involves various determinations as to the most appropriate factors to consider, as well as the application of those factors under the particular circumstances. The results of the analyses performed by Blackstone are not necessarily indicative of actual values or future results, which may be significantly more or less favorable than suggested by such analyses. Blackstone's estimated Reorganization Value of the TSC Debtors does not constitute a recommendation to any holder of Allowed Claims as to how such person should vote or otherwise act with respect to the Plan. Blackstone has not been asked to and does not express any view as to what the trading value of the TSC Debtors' securities would be when issued pursuant to the Plan or the prices at which they may trade in the future.

B. 1.4 SPECTRUM OVERVIEW

The 1.4 Spectrum is comprised of a total of 64 licenses in the (i) paired 1392-1393.5 MHz and 1432-1433.5 MHz "A" Block, (ii) paired 1393.5-1395 MHz and 1433.5-1435 MHz "B" Block and (iii) unpaired 1390-1392 MHz band, resulting in 8 MHz of nationwide capacity (see chart on the right). The FCC adopted a flexible use standard for the 1.4 Spectrum, allowing the licenses to be used for fixed and mobile (except aeronautical mobile) services, including wireless internet, high speed data transfer services and advanced two-way mobile and paging services.

1.4 Spectrum Overview[2]



Despite the flexible use designation, certain characteristics of the 1.4 Spectrum render it unsuitable for mobile broadband based on the current LTE standard (Release 8):

- **Technical Parameters.** Wireless Medical Telemetry Service ("***WMTS***")[3] operates in the 1395-1400 MHz band on an interference-protected basis. In order to prevent interference with WMTS, fixed stations transmitting in the 1392-1395 MHz bands are limited to 100 watts peak power (or Effective Isotropic Radiated Power, "***EIRP***"). These power restrictions limit transmission strength, which reduce eligible applications for the 1.4 Spectrum.

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[1] On July 9, 2012, the Bankruptcy Court entered an order authorizing the TSC Debtors to enter into a consulting agreement with RKF. RKF's primary task was to assist the TSC Debtors in evaluating the technical and engineering aspects of the 1.4 Spectrum.
[2] WMTS: Wireless Medical Telemetry Service; EES: Earth Exploration – Satellite, Radio Astronomy and Space Research Services.
[3] Wireless medical telemetry is generally used to monitor a patient's health remotely through radio technology.

- **Unfavorable Spectrum Configuration.** 4G technologies and high bandwidth applications benefit from larger spectrum blocks (i.e., greater than 5 MHz of capacity based on current LTE standard). The narrow configuration of the 1.4 Spectrum limits use to low-bandwidth and low-power applications based on current network equipment and technologies.

In addition, to remain in compliance with FCC requirements, licensees of the 1.4 Spectrum must demonstrate "substantial" service by April 2017. As such, any potential use of the 1.4 Spectrum, and any valuation of such use, must take into consideration the FCC requirements and any need to extend the "substantial service" requirement to justify the outlay of capital necessary to put the 1.4 Spectrum into service.

C. POTENTIAL USES OF THE 1.4 SPECTRUM

Based on the current spectrum license configuration and characteristics of the 1.4 Spectrum, the most immediate market opportunity for the 1.4 Spectrum is Machine-to-Machine ("***M2M***") / Smart Grid applications. M2M refers to any technology that enables machines to communicate with each other to exchange information and / or perform tasks. M2M communications encompass a variety of applications, including tracking & tracing and smart grid systems ("***Smart Grids***"). Smart Grids involve installing sensors throughout an electric grid and connecting them via high speed communications, in order to increase the reliability, resilience, and energy efficiency of electric grids.

Among other things, and as specified in its mandate, RKF assisted the TSC Debtors in evaluating the technical and engineering aspects of the uses of the 1.4 Spectrum beyond M2M / Smart Grid opportunities. RKF identified the following additional uses that may be deployed over time, both of which assume that the TSC Debtors can obtain waivers from the FCC that would allow a reconfiguration of certain of the bands and allow the 1.4 Spectrum to be used in a time division duplex ("TDD") mode. Subject to obtaining the appropriate waivers, RKF evaluated two additional applications for the 1.4 Spectrum:

- **LTE Pico Cells ("*Pico Cells*"):** Pico Cells represent an emerging solution for carriers seeking to alleviate network capacity constraints, particularly in densely-populated regions. Pico Cells represent smaller-scale base stations that are deployed within existing wireless cells that would enable carriers to alleviate traffic on existing base stations. The existence of Pico Cells would allow the 1.4 Spectrum to be used as part of a 4G wireless network.

- **LTE Macro Cell Extension ("*Macro Cell Extension*"):** Specific frequencies of the 1.4 Spectrum can be added to existing base stations to increase the capacity of macro cells. Wireless carriers can use carrier aggregation, or the ability to group non-contiguous bands of spectrum into a single data channel, thereby increasing overall network efficiency. This carrier aggregation is only feasible through LTE Advanced technologies, which technologies are not expected to be deployed in the U.S. until 2014 or 2015.

D. VALUATION ANALYSIS

To derive the Reorganization Value, Blackstone considered the following valuation techniques for the various uses of the 1.4 Spectrum, as outlined in the RKF report: (i) historical FCC spectrum auctions and precedent transactions, and (ii) discounted cash flow ("***DCF***") analysis. Blackstone also considered unsolicited informal indications of interest.

- **Historical FCC Spectrum Auctions and Precedent Transactions.** The historical FCC spectrum auctions and precedent transaction analyses estimates the value of the 1.4 Spectrum by observing price / MHz-POP multiples paid for comparable businesses / assets and applying those transaction multiples to the relevant financial information of the 1.4 Spectrum. MHz-POP takes a company's spectrum measured in MHz and multiplies it by the number of people living in the region covered by the spectrum. In determining the most relevant auctions / transactions, Blackstone considered various factors, including (i) relative frequency range, (ii) geographic coverage, (iii) intended / permissible uses and (iv) date of auctions / transactions. Further, due to differences in the characteristics of the 1.4 Spectrum, regulatory requirements and interference issues of the 1.4 Spectrum relative to the comparable transactions, as well as the financial / competitive positions of specific buyers and market dynamics, several adjustments were made (both upward and downward) to the observed comparable transactions to estimate the valuation of the 1.4 Spectrum.

- **Discounted Cash Flow Analysis.** A DCF analysis is a "forward looking" valuation methodology that discounts the expected future cash flows by a theoretical or observed discount rate that is a function of the riskiness of the cash flows. This approach has two components: (i) the present value of the projected unlevered free cash flows for a determined period, and (ii) the present value of the terminal value of cash flows, which represents the value beyond the time horizon of the projected period. While a DCF analysis is a widely accepted and practiced valuation methodology, Blackstone did not rely on a DCF analysis to value the 1.4 Spectrum due to (i) the lack of an existing business plan, (ii) uncertainty regarding the ability to raise funding for a network build-out, and (iii) considerable amount of estimation involved in projecting revenues given the start-up nature of the business.

- **Unsolicited Informal Indications of Interest.** Blackstone did not conduct a marketing process with respect to the 1.4 Spectrum. However, the TSC Debtors received two informal indications of interest for the 1.4 Spectrum. Blackstone considered the nature and quality of such indications of interest as part of deriving the Reorganization Value.

Valuation Conclusion. Based upon Blackstone's analysis and consideration of the RKF conclusions, Blackstone estimated that the value of the TSC Debtors ranges from $160 - $235 million, or approximately $0.06 - $0.09 / MHz-POP.