

Presentment Date: April 29, 2011 at 12:30 p.m (ET)
Objection Deadline: April 29, 2011 at 12:00 p.m. (ET)

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Counsel to the TSC Debtors

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

TERRESTAR CORPORATION, *et al.*,¹

Debtors.

)
) Chapter 11
)

) Case No. 11-10612 (SHL)
)

) Jointly Administered
)

**NOTICE OF PRESENTMENT OF FEBRUARY DEBTORS' APPLICATION
FOR ENTRY OF AN ORDER PURSUANT TO BANKRUPTCY CODE SECTION 327
AND BANKRUPTCY RULES 2014 AND 2016 AUTHORIZING THE EMPLOYMENT
AND RETENTION OF DELOITTE TAX AS TAX SERVICES PROVIDER FOR THE
FEBRUARY DEBTORS *NUNC PRO TUNC* TO THE FEBRUARY PETITION DATE**

PLEASE TAKE NOTICE that upon the *February Debtors' Application for Entry of an Order Pursuant to Bankruptcy Code Section 327 and Federal Rules 2014 and 2016 Authorizing the Employment and Retention of Deloitte Tax as Tax Services Provider for the February Debtors Nunc Pro Tunc to the February Petition Date*, (the "*Application*"), which Application

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]; MVH Holdings Inc. [9756] (collectively, the "*Other TSC Debtors*" and collectively, with the February Debtors the "*TSC Debtors*").

includes a statement of the reasons underlying the requested relief, the undersigned counsel for the February Debtors intend to present to the Honorable Sean H. Lane., United States Bankruptcy Judge, for signature on **April 29, 2011 at 12:30 p.m. (prevailing Eastern time)**, the proposed *Order Pursuant to Bankruptcy Code Section 327 and Bankruptcy Rules 2014 and 2016 Authorizing the Employment and Retention of Deloitte Tax as Tax Services Provider for the February Debtors Nunc Pro Tunc to the February Petition Date*, attached as Exhibit A to the Application (the “*Order*”).

PLEASE TAKE FURTHER NOTICE that any responses to the Application must be in writing, shall conform to the Federal Rules of Bankruptcy Procedure, the Local Rules of the Bankruptcy Court and the Bankruptcy Court’s *Order Pursuant to Sections 105(a) and (d) of the Bankruptcy Code and Bankruptcy Rules 1015(c), 2002(m) and 9007 Implementing Certain Notice and Case Management Procedures* [Docket No. 12] (the “*Case Management Order*”), shall be filed with the Bankruptcy Court either (a) electronically in accordance with General Order M-399 (which can be found at <http://www.nysb.uscourts.gov>) by registered users of the Bankruptcy Court’s filing system, or (b) on a 3.5 inch disk, preferably in Portable Document Format (PDF), WordPerfect, or any other Windows-based word processing format (with a hard copy delivered directly to Chambers), in accordance with General Order M-182 (which can be found at <http://www.nysb.uscourts.gov>), and shall be served in accordance with General Order M-399 on: (a) counsel to the TSC Debtors, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, New York 10036, Attn: Ira S. Dizengoff, Esq., Arik Preis, Esq. and Sarah Link Schultz, Esq.; (b) the Office of the United States Trustee for the Southern District of New York, Attn: Susan Golden, Trial Attorney; (c) counsel to the statutory committee of unsecured creditors appointed in these chapter 11 cases (the “*Committee*”), or until such time as any such committee

is appointed, those creditors holding the 30 largest general unsecured claims against the TSC Debtors on a consolidated basis; (d) NexBank, SSB as agent for the lenders under the Bridge Loan Agreement; (e) Weil, Gotshal & Manges LLP as counsel to Harbinger Capital Partners LLC and certain of its managed and affiliated funds; (f) Wachtell, Lipton, Rosen & Katz as counsel to Highland Capital Management, L.P. and certain of its managed and affiliated funds; (g) Quinn Emanuel Urquhart & Sullivan, LLP as counsel to Solus Alternative Asset Management, L.P.; (h) NexBank, SSB as agent for the TSC Debtors' proposed post-petition debtor-in-possession financing; (i) Quinn Emanuel Urquhart & Sullivan, LLP as counsel to the agent for the TSC Debtors' proposed post-petition debtor-in-possession financing; (j) Schulte Roth & Zabel LLP as counsel to Colbeck Capital Management, LLC; (k) the Internal Revenue Service; (l) the Securities and Exchange Commission; (m) the United States Attorney for the Southern District of New York; (n) the Federal Communications Commission; (o) Deloitte Tax LLP, as proposed tax advisor for the February Debtors and (p) parties in interest who have filed a notice of appearance in these cases pursuant to Bankruptcy Rule 2002, in each case so as to be received no later than **April 29, 2011 at 12:00 p.m. (prevailing Eastern time)** (the "***Response Deadline***").

PLEASE TAKE FURTHER NOTICE that unless a written response to the Application with proof of service is filed with the Court by the Response Deadline, there will not be a hearing and the Order may be signed.

PLEASE TAKE FURTHER NOTICE that if a written response with respect to the Application is timely filed and served in accordance with the Case Management Order and this Notice, the Court will hear the Application, on a date to be determined, at the United States Bankruptcy Court for the Southern District of New York, Honorable Sean H. Lane, United States

Bankruptcy Judge, Alexander Hamilton Custom House, One Bowling Green, New York, New York, 10004, Room 701. The moving and responding parties are required to attend the hearing, and failure to attend in person or by counsel may result in relief being granted or denied upon default.

New York, New York
Dated: April 22, 2011

/s/ Ira S. Dizengoff

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Counsel to the TSC Debtors

**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
_____)	

**FEBRUARY DEBTORS' APPLICATION FOR ENTRY OF AN ORDER
PURSUANT TO BANKRUPTCY CODE SECTION 327 AND BANKRUPTCY
RULES 2014 AND 2016 AUTHORIZING THE EMPLOYMENT AND RETENTION
OF DELOITTE TAX AS TAX SERVICES PROVIDER FOR THE FEBRUARY
DEBTORS NUNC PRO TUNC TO THE FEBRUARY PETITION DATE**

The February Debtors seek entry of an order, substantially in the form attached hereto as Exhibit A, authorizing the February Debtors to employ and retain Deloitte Tax LLP ("**Deloitte Tax**") as their tax services provider in these chapter 11 cases, *nunc pro tunc* to the February Petition Date (as defined herein) on the terms set forth in the Engagement Letter (as defined

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]; MVH Holdings Inc. [9756] (collectively, the "**Other TSC Debtors**") and collectively, with the February Debtors the "**TSC Debtors**").

herein). In support of this Application, the February Debtors submit the Declaration of Gregory Anderson, a Director at Deloitte Tax (the "*Anderson Declaration*"), a copy of which is attached hereto as Exhibit B and incorporated by reference herein. In further support of this Application, the February Debtors respectfully state as follows:

I. JURISDICTION AND VENUE

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

2. Venue of these chapter 11 cases and this Application is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The bases for the relief requested herein are section 327(a) of chapter 11 of title 11 of the United States Code (the "*Bankruptcy Code*"), rules 2013 and 2016 of the Federal Rules of Bankruptcy Procedure (the "*Bankruptcy Rules*") and rules 2014-1 and 2016-1 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*") and February 16, 2011 (the "*Petition Date*"), TerreStar Networks Inc. ("*TSN*") and certain of its affiliated debtors and debtors in possession, including the Other TSC Debtors (collectively, the "*October Debtors*"), 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. No request for the appointment of a trustee or examiner has been made in these chapter 11 cases.

5. On October 20, 2010, the Court entered an order providing for the joint administration of the chapter 11 cases of the October Debtors for procedural purposes only under the case number of TSN (Case No. 10-15446 (SHL)). On February 22, 2011, the Court entered

orders providing that the chapter 11 cases of the Other TSC Debtors be de-consolidated from the TSN case and the consolidation and joint administration of the chapter 11 cases of the October Debtors and the February Debtors under the case of TerreStar Corporation.

6. 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. No statutory committees have been appointed or designated in the February Debtors’ cases. On information and belief, only one member of the TSN Committee, Van Vlissingen and Company, holds a claim against the TSC Debtors.

7. On January 13, 2011, this Court entered an order authorizing the employment and retention of Deloitte Tax as tax services provider for the October Debtors [Case No. 10-15446, Docket No. 345].

8. A detailed description of the TSC Debtors’ business and the reasons for filing these chapter 11 cases is 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 was filed contemporaneously with the February Debtors’ voluntary petitions for relief under chapter 11 of the Bankruptcy Code.

III. RELIEF REQUESTED

9. The February Debtors seek entry of an order pursuant to Bankruptcy Code section 327(a), Bankruptcy Rules 2014(a) and 2016 and Local Rule 2014-1, authorizing the employment and retention of Deloitte Tax as their tax services provider in connection with these chapter 11 cases, *nunc pro tunc* to the February Petition Date, in accordance with the terms and conditions set forth in the Engagement Letter (the “*Engagement Letter*”), a copy of which is attached hereto as Exhibit C.

IV. DELOITTE TAX'S QUALIFICATIONS

10. Deloitte Tax has significant qualifications and experience as a tax services provider. The firm's extensive experience in tax matters is widely recognized, and Deloitte Tax regularly provides those services to large and complex businesses. Significantly, Deloitte Tax has extensive experience in delivering tax services in chapter 11 cases. *See, e.g., In re Neff Corp., et. al.*, Case No. 10-12610 (SCC) (Bankr. S.D.N.Y. July 16, 2010) [Docket No. 281]; *In re Citadel Broadcasting Corp.*, Case No. 09-17442 (BRL) (Bankr. S.D.N.Y. March 1, 2010) [Docket No. 157]; *In re Chemtura Corp.*, Case No. 09-11233 (REG) (Bankr. S.D.N.Y. May 15, 2009) [Docket No. 397].²

11. Pre-petition, the February Debtors employed Deloitte Tax to provide tax-related services. In connection with its previous employment by the February Debtors, Deloitte Tax garnered considerable knowledge concerning the February Debtors, and accordingly, Deloitte Tax is already familiar with the February Debtors' business affairs to the extent necessary for the scope of Deloitte Tax's proposed and anticipated services. Such experience and knowledge will be necessary and valuable to the February Debtors in their efforts to restructure. Accordingly, the February Debtors believe that Deloitte Tax is well qualified and able to advise the February Debtors in these chapter 11 cases.

V. SERVICES TO BE PROVIDED

12. Subject to the Court's approval and the terms set forth in the Engagement Letter, Deloitte Tax may provide at the February Debtors' request, and as agreed to by Deloitte Tax, the

² The unpublished authorities cited herein are attached hereto as Exhibit D. Due to their voluminous nature, the exhibits to the unpublished authorities have not been attached.

following various tax-related services (the “*Tax Services*”) to the February Debtors.³ The Tax Services include advising the February Debtors:

- (a) in their work with their counsel and financial advisors on the cash tax effects of restructuring and bankruptcy and the post-restructuring tax profile, including plan of reorganization tax costs;
- (b) regarding the restructuring and bankruptcy emergence process from a tax perspective, including the tax work plan;
- (c) on the cancellation of debt income for tax purposes under Internal Revenue Code (“*IRC*”) section 108;
- (d) on post-bankruptcy tax attributes (tax basis in assets, tax basis in subsidiary stock and net operating loss carryovers) available under the applicable tax regulations and the reduction of such attributes based on the February Debtors’ operating projections; including a technical analysis of the effects of Treasury Regulation Section 1.1502-28 and the interplay with IRC sections 108 and 1017;
- (e) on potential effect of the Alternative Minimum Tax (as defined in the IRC) in various post-emergence scenarios;
- (f) on the effects of tax rules under IRC sections 382(l)(5) and (l)(6) pertaining to the post-bankruptcy net operating loss carryovers and limitations on their utilization and the February Debtors’ ability to qualify for IRC section 382(l)(5);
- (g) on net built-in gain or net built-in loss position at the time of “ownership change” (as defined under IRC section 382), including limitations on use of tax losses generated from post-restructuring or post-bankruptcy asset or stock sales;
- (h) as to the proper treatment of post-petition interest for state and federal income tax purposes;
- (i) as to the proper state and federal income tax treatment of pre-petition and post-petition reorganization costs including restructuring-related professional fees and other costs, the categorization and analysis of such costs and the technical positions related thereto;
- (j) in their evaluation and modeling of the tax effects of liquidating, disposing of assets, merging or converting entities as part of the restructuring, including the effects on federal and state tax attributes, state incentives, apportionment and other tax planning;

³ The discussion of the Tax Services and the compensation of Deloitte Tax herein is meant to be a summary only. In the event of any inconsistency between this summary and the Engagement Letter, the Engagement Letter will govern.

- (k) on state income tax treatment and planning for restructuring or bankruptcy provisions in various jurisdictions including cancellation of indebtedness calculation, adjustments to tax attributes and limitations on tax attribute utilization;
- (l) on responding to tax notices and audits from various taxing authorities;
- (m) with identifying potential tax refunds and advise the February Debtors on procedures for tax refunds from tax authorities;
- (n) on income tax return reporting of bankruptcy issues and related matters;
- (o) in their review and analysis of the tax treatment of items adjusted for financial reporting purposes as a result of “fresh start” accounting as required for the emergence date of the U.S. financial statements in an effort to identify the appropriate tax treatment of adjustments to equity (including issuance of new equity, options and/or warrants) and other tax basis adjustments to assets and liabilities recorded;
- (p) in documenting as appropriate, the tax analysis, development of the February Debtors’ opinions, recommendation, observations and correspondence for any proposed restructuring alternative tax issue or other tax matter described above;
- (q) regarding other state or federal income tax questions that may arise in the course of this engagement, as requested by the February Debtors and as may be agreed to by Deloitte Tax;
- (r) in their efforts to calculate tax basis in the stock in each of the February Debtors’ subsidiaries or other entity interests;
- (s) with their evaluation of any original issue discount or applicable high yield discount obligation provisions that may be associated with the new debt instruments instituted in connection with the restructuring and/or bankruptcy filing and
- (t) with federal and state income tax compliance matters.

13. To the extent the February Debtors request additional services not covered under the Engagement Letter, as may be required pursuant to Deloitte Tax’s internal procedures, Deloitte Tax and the February Debtors may enter into additional engagement letters, as necessary, and will file and serve a notice of presentment of an order to the Court for approval of any such additional engagement letters.

VI. PROFESSIONAL COMPENSATION

14. Subject to the Court’s approval, and pursuant to the terms and conditions of the Engagement Letter, Deloitte Tax intends to charge the February Debtors for the Tax Services rendered in these chapter 11 cases its hourly rates for such services, which are as follows:

<u>Personnel Classification</u>	<u>Hourly Rate</u>
Partner, Principal or Director	\$640-730
Senior Manager	\$565-590
Manager	\$490-515
Senior	\$365-390
Staff	\$280-305

15. Deloitte Tax’s hourly rates are revised periodically in the ordinary course of their business. Deloitte Tax will (i) provide ten business days’ notice to the February Debtors, the U.S. Trustee and any statutory committee appointed in these chapter 11 cases before any increases in the rates set forth in this Application and the Engagement Letter and (ii) file such notice with the Court. In addition to the hourly rates set forth above, the February Debtors will reimburse Deloitte Tax for any expenses incurred in connection with Deloitte Tax’s retention in these chapter 11 cases and the performance of the services set forth in the Engagement Letter. Deloitte Tax’s expenses will include, but not be limited to, reasonable and customary out-of-pocket expenses for items such as travel, meals, accommodations and other expenses.⁴

16. Subject to the Court’s approval, and in accordance with Bankruptcy Code sections 330 and 331, applicable provisions of the Bankruptcy Rules, the Local Rules, the Order Establishing Procedures for Monthly Compensation and Reimbursement of Expenses of Professionals, dated December 21, 2010 and the U.S. Trustee Fee Guidelines (collectively, the “*Fee Guidelines*”) and the Court’s Order Establishing Procedures for Interim Compensation and

⁴ The February Debtors will not pay for any services provided by Deloitte Tax to affiliates or subsidiaries of the February Debtors, other than pursuant to the Engagement Letter.

Reimbursement of Professionals (the “*Interim Compensation Order*”) [Case No. 10-15446, Docket No. 174], made applicable to the February Debtors’ cases by the Court’s Order Directing that Certain Orders in the Chapter 11 Cases of TerreStar networks Inc., *et al.* Be Made Applicable to the Chapter 11 Cases of TerreStar Corporation and TerreStar Holdings Inc. *Nunc Pro Tunc* to the Petition Date [Docket No. 13], Deloitte Tax intends to apply to the Court for payment of compensation for professional services rendered and reimbursement of expenses.

17. In addition, Deloitte Tax intends to submit monthly statements for services rendered and expenses incurred pursuant to the Interim Compensation Order and the Fee Guidelines. Deloitte Tax requests that the invoices, after appropriate review, be paid in a manner consistent with the payment of other retained professionals in these chapter 11 cases.

VII. DELOITTE TAX’S DISINTERESTEDNESS

18. To the best of the February Debtors’ knowledge, based on the Anderson Declaration, Deloitte Tax (a) has no connection to the February Debtors, their creditors or related parties except as may be disclosed in the Anderson Declaration; (b) does not hold any interest adverse to the February Debtors’ estates for the matters for which Deloitte Tax is to be employed and (c) is a “disinterested person” within the meaning of Bankruptcy Code section 101(14), as required by Bankruptcy Code section 327(a).⁵ As of the February Petition Date, Deloitte Tax does not hold a pre-petition claim against the February Debtors with respect to any pre-petition services rendered.

19. Deloitte Tax will periodically review its files during the pendency of these chapter 11 cases. To the extent that Deloitte Tax discovers any new relevant facts or relationships bearing on the matters described herein during the period of Deloitte Tax’s retention, Deloitte

⁵ As explained above, Deloitte Tax is already providing services for the October Debtors in their chapter 11 cases. The February Debtors do not believe such engagement presents a conflict of interest for Deloitte Tax.

Tax will use reasonable efforts to identify such further developments and will promptly file a supplemental declaration as required by Bankruptcy Rule 2014(a).

VIII. SUPPORTING AUTHORITY

20. The February Debtors seek retention of Deloitte Tax as their tax services provider pursuant to Bankruptcy Code section 327(a), which provides that a debtor, subject to court approval:

[M]ay employ one or more attorneys, accountants, appraisers, auctioneers, or other professional persons, that do not hold or represent an interest adverse to the estate, and that are disinterested persons, to represent or assist the [debtor] in carrying out the [debtor]'s duties under this title.

11 U.S.C. § 327(a).

21. Bankruptcy Rule 2014(a) requires that an application for retention include:

[S]pecific facts showing the necessity for the employment, the name of the [firm] to be employed, the reasons for the selection, the professional services to be rendered, any proposed arrangement for compensation, and, to the best of the applicant's knowledge, all of the [firm's] connections with the debtor, creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee.

Fed. R. Bankr. P. 2014.

22. The February Debtors submit that, for all the reasons stated above and in the Anderson Declaration, the retention of Deloitte Tax as tax services provider to the February Debtors is warranted. Further, as stated in the Anderson Declaration, Deloitte Tax is a "disinterested person" within the meaning of Bankruptcy Code section 101(14), as required by Bankruptcy Code section 327(a), and does not hold or represent an interest adverse to the February Debtors' estates and has no connection to the February Debtors, their creditors or their

related parties except as may be disclosed in the Anderson Declaration. Accordingly, the retention of Deloitte Tax as tax services provider to the February Debtors should be approved.

IX. MOTION PRACTICE

23. This Application 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 Application. Accordingly, the February Debtors submit that this Application satisfies Local Rule 9013-1(a).

X. NOTICE

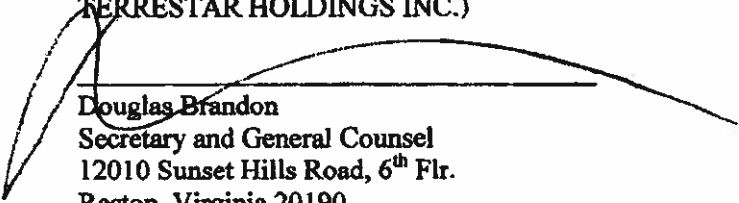
24. The February Debtors have provided notice of this Application to: (a) the Office of the United States Trustee for the Southern District of New York; (b) the entities listed on the Consolidated List of Creditors Holding the 30 Largest Unsecured Claims filed pursuant to Bankruptcy Rule 1007(d); (c) 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, L.P.; (g) NexBank, SSB as agent for the TSC Debtors' proposed post-petition debtor-in-possession financing; (h) Quinn Emanuel Urquhart & Sullivan, LLP as counsel to the agent for the TSC Debtors' proposed post-petition debtor-in-possession financing; (i) Schulte Roth & Zabel LLP as counsel to Colbeck Capital Management, LLC; (j) the Internal Revenue Service; (k) the Securities and Exchange Commission; (l) the United States Attorney for the Southern District of New York; (m) the Federal Communications Commission; (n) Otterbourg, Steindler, Houston & Rosen, P.C. as counsel to the Official Committee of Unsecured Creditors of TerreStar Networks Inc., *et al.*; and (o) 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 February Debtors respectfully submit that no further notice is necessary.

WHEREFORE, for the reasons set forth herein, the February Debtors respectfully request that the Court (a) enter an order, substantially in the form attached hereto as Exhibit A, authorizing the February Debtors to (i) employ and retain Deloitte Tax as their tax services provider *nunc pro tunc* to the February Petition Date of these chapter 11 cases and (ii) approve the terms of the Engagement Letter and (b) grant such other and further relief as is just and proper.

New York, NY
Dated: April 22, 2011

TERRESTAR CORPORATION (for itself and
TERRESTAR HOLDINGS INC.)



Douglas Brandon
Secretary and General Counsel
12010 Sunset Hills Road, 6th Flr.
Reston, Virginia 20190
(703) 483-7806

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 327 AND
BANKRUPTCY RULES 2014 AND 2016 AUTHORIZING THE EMPLOYMENT
AND RETENTION OF DELOITTE TAX AS TAX SERVICES PROVIDER FOR THE
FEBRUARY DEBTORS *NUNC PRO TUNC* TO THE FEBRUARY PETITION DATE**

Upon the application (the “*Application*”)² of the February Debtors for entry of an order authorizing the February Debtors to employ and retain Deloitte Tax LLP (“*Deloitte Tax*”) as their tax services provider effective as of the February Petition Date, pursuant to Bankruptcy Code section 327(a), Bankruptcy Rules 2014(a) and 2016 and Local Rule 2014-1; and upon the Anderson Declaration attached to the Application as Exhibit B; and the Court having jurisdiction pursuant to sections 157 and 1334 of title 28 of the United States Code to consider the Application and the relief requested therein; and venue being proper in this Court pursuant to sections 1408 and 1409 of title 28 of the United States Code; and the Court being satisfied that notice of the Application and the opportunity for a hearing on the Application was appropriate under the particular circumstances and no further or other notice need be given; and the Court being satisfied, based on the representations made in the Application and the Anderson

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]; MVH Holdings Inc. [9756] (collectively, the “*Other TSC Debtors*” and collectively, with the February Debtors the “*TSC Debtors*”).

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

Declaration, that Deloitte Tax does not represent or hold any interest adverse to the February Debtors or to their estates as to the matters upon which Deloitte Tax has been and is to be employed and that Deloitte Tax is a “disinterested person” as such term is defined in Bankruptcy Code section 101(14), as modified by Bankruptcy Code section 1107(b) and as required under Bankruptcy Code section 327(a); and the Court having determined that the relief sought in the Application is in the best interests of the February Debtors, their creditors and all parties in interest; and the Court having heard the evidence and statements of counsel regarding the Application and having determined that the legal and factual bases set forth in the Application and in the Anderson Declaration establish just cause for the relief granted herein, it is hereby Ordered that:

1. The Application is granted and approved, to the extent provided herein, *nunc pro tunc* to the February Petition Date.

2. In accordance with Bankruptcy Code section 327(a), Bankruptcy Rules 2014(a) and 2016 and Local Rule 2014-1, the February Debtors are hereby authorized to employ and retain Deloitte Tax as their tax services provider in their chapter 11 cases, as contemplated by the Application and pursuant to the terms of the engagement letter (the “*Engagement Letter*”), a copy of which is attached as Exhibit C to the Application.

3. Deloitte Tax shall be compensated and file interim and final fee applications for allowance of its fees and expenses in accordance with Bankruptcy Code sections 330 and 331, applicable provisions of the Bankruptcy Rules, the Local Rules, the Order Establishing Procedures for Monthly Compensation and Reimbursement of Expenses of Professionals, dated December 21, 2010 and the U.S. Trustee Fee Guidelines (collectively, the “*Fee Guidelines*”) and the Court’s Order Establishing Procedures for Interim Compensation and Reimbursement of

Professionals [Docket No. 174], made applicable to the February Debtors' cases by the Court's Order Directing that Certain Orders in the Chapter 11 Cases of TerreStar Networks Inc., *et al.* Be Made Applicable to the Chapter 11 Cases of TerreStar Corporation and TerreStar Holdings Inc. *Nunc Pro Tunc* to the Petition Date [Docket No. 13]; *provided, however*, that the February Debtors shall not pay for any services provided by Deloitte Tax to the affiliates or subsidiaries of the February Debtors other than pursuant to the Engagement Letter. For the avoidance of doubt, only the February Debtors are required to provide reimbursement for fees and expenses under the Engagement Letter.

4. Deloitte Tax shall be reimbursed only for reasonable and necessary expenses as provided by the Fee Guidelines.

5. Deloitte Tax shall (i) provide ten business days' notice to the February Debtors, the U.S. Trustee and any statutory committee appointed in these chapter 11 cases before any increases in the rates set forth in the Application and the Engagement Letter and (ii) file such notice with the Court.

6. To the extent the Application or the Engagement Letter are inconsistent with this Order, the terms of this Order shall govern.

7. All of Deloitte Tax's personnel who provide services to or on behalf of the February Debtors, with the exception of clerical staff, shall keep contemporaneous records of the services they have performed in one-half hour increments.

8. Other than (i) Deloitte Financial Advisory Services LLP, (ii) Deloitte Consulting LLP and (iii) Deloitte & Touche LLP, Deloitte Tax shall not use independent contractors or affiliated or unaffiliated entities of Deloitte Tax to perform services under the Engagement Letter without separate Court approval. Any services provided by these aforementioned affiliates of

Deloitte Tax shall be billed at the same rates as are provided for Deloitte Tax in the Engagement Letter.

9. Deloitte Tax shall not be entitled to the reimbursement of attorney fees and expenses other than in connection with indemnification pursuant to paragraph 15 of the Engagement Letter and third party requests pursuant to paragraph 20 of the Engagement Letter.

10. All requests of Deloitte Tax for payment of indemnity pursuant to the Engagement Letter shall be made by means of an application (interim or final as the case may be) and shall be subject to review by the Court to ensure that payment of such indemnity conforms to the terms of the Engagement Letter and is reasonable based upon the circumstances of the litigation or settlement in respect of which indemnity is sought, *provided, however*, that in no event shall Deloitte Tax be indemnified if the February Debtors or a representative of the February Debtors' estates asserts a claim for, and a court determines by final order that such claim arose out of, Deloitte Tax's own bad faith, self-dealing, breach of fiduciary duty (if any), gross negligence or willful misconduct.

11. In the event that Deloitte Tax seeks reimbursement from the February Debtors for attorneys' fees and expenses in connection with the payment of an indemnity claim pursuant to the Engagement Letter, the invoices and supporting time records from such attorneys shall be included in Deloitte Tax's own applications, both interim and final, and such invoices and time records shall be subject to the Fee Guidelines and the approval of the Bankruptcy Court pursuant to Bankruptcy Code sections 330 and 331 without regard to whether such attorneys have been retained under Bankruptcy Code section 327 and without regard to whether such attorneys' services satisfy Bankruptcy Code section 330(a)(3)(C).

12. The February Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order.

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

New York, New York
Date: _____, 2011

United States Bankruptcy Judge

EXHIBIT B

Anderson Declaration

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 GREGORY ANDERSON IN SUPPORT OF
FEBRUARY DEBTORS' APPLICATION FOR ENTRY OF AN ORDER
PURSUANT TO BANKRUPTCY CODE SECTION 327 AND BANKRUPTCY
RULES 2014 AND 2016 AUTHORIZING THE EMPLOYMENT AND RETENTION
OF DELOITTE TAX AS TAX SERVICES PROVIDER FOR THE FEBRUARY
DEBTORS *NUNC PRO TUNC* TO THE FEBRUARY PETITION DATE**

Pursuant to Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the "*Bankruptcy Rules*"), Gregory Anderson, under penalty of perjury, declares as follows:

1. I am a Director of the firm of Deloitte Tax LLP ("*Deloitte Tax*"), which has an office at 1750 Tysons Boulevard, McLean, Virginia 22102. I am duly authorized to make and submit this declaration (the "*Declaration*") on behalf of Deloitte Tax in accordance with section 327(a) of title 11 of the United States Code (the "*Bankruptcy Code*") and Bankruptcy Rule 2014(a) in support of the application of the February Debtors for entry of an order authorizing the employment and retention of Deloitte Tax as tax advisors (the "*Application*"), *nunc pro tunc* to February 16, 2011 (the "*February Petition Date*"), pursuant to the terms and conditions set forth in the engagement letter, attached as Exhibit C to the Application (the "*Engagement Letter*").

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]; MVH Holdings Inc. [9756] (collectively, the "*Other TSC Debtors*" and collectively, with the February Debtors the "*TSC Debtors*").

Disinterestedness

2. The statements set forth in this Declaration are based upon my personal knowledge, upon information and belief, and upon client matter records kept in the ordinary course of business that were reviewed by me or other personnel of Deloitte Tax or its affiliates. In addition, I previously submitted a declaration (the "*TSN Declaration*") in connection with Deloitte Tax's retention as tax services provider for Terrestar Networks, Inc. ("*TSN*") and certain of its debtor-affiliates (collectively with TSN, the "*TSN Debtors*"). Deloitte Tax was approved as tax services provider to TSN Debtors by an order, dated January 13, 2011.

3. The TSN Declaration, a copy of which is attached hereto as Schedule 2, is incorporated herein by reference and the disclosures made herein are subject, in all cases, to the terms and conditions set forth in such Declaration.

4. Subject to the foregoing, except as set forth herein, and in the attachments hereto, to the best of my information, knowledge and belief based on reasonable inquiry, (1) neither I, Deloitte Tax, nor any partner, principal or director of Deloitte Tax that is anticipated to provide the services for which Deloitte Tax is to be retained (the "*Deloitte Tax Engagement Partners/Principals/Directors*") holds any interest adverse to the February Debtors or their affiliates with respect to the matters on which Deloitte Tax is to be retained in the above-captioned chapter 11 cases (the "*Cases*"), and (2) Deloitte Tax and the Deloitte Tax Engagement Partners/Principals/Directors have no relationship to the February Debtors, their significant creditors, certain other parties-in-interest herein, or to the attorneys that are known to be assisting the February Debtors in the Cases, except as stated herein or on any attachment hereto.

5. From time to time, Deloitte Tax and its affiliates have provided or may currently provide services and likely will continue to provide services, to certain creditors of the February

Debtors and various other parties potentially adverse to the February Debtors in matters unrelated to the Cases.

6. In connection with Deloitte Tax's proposed retention by the February Debtors in these Cases, Deloitte Tax undertook a search to determine, and to disclose, whether it or its affiliates are or have been employed by or has other relationships with any of the February Debtors or their affiliates, subsidiaries, directors or officers, or any of the February Debtors' significant creditors, customers, equity security holders, professionals or other entities with significant relationships with the February Debtors identified on a schedule provided to Deloitte Tax. Such search was in addition to the search discussed in the TSN Declaration.

7. Specifically, Deloitte Tax obtained from the February Debtors and/or their representatives the names of individuals and entities that may be parties-in-interest in these Cases (the "*Potential Parties-in-Interest*"). To check upon and disclose possible relationships with Potential Parties-in-Interest in these Cases, Deloitte Tax researched its client databases and performed reasonable due diligence to determine whether it or its affiliates had any relationships with any of the February Debtors or their affiliates, subsidiaries, directors or officers, or any of the February Debtors' significant creditors, equity security holders, professionals or other such entities with significant relationships with the February Debtors.

8. Deloitte Tax and its affiliates have or may have provided professional services to or may currently provide professional services to, and may in the future provide professional services in matters unrelated to these Cases to certain of the Potential Parties-in-Interest. Additionally, certain of these Potential Parties-in-Interest have or may have provided goods or services to or may currently provide goods or services to, and may in the future provide goods or

services to, Deloitte Tax or its affiliates and the Deloitte Tax Engagement Partners/Principals/Directors in matters unrelated to these Cases.

9. Deloitte Tax provided pre-petition services to the February Debtors and their affiliates. The February Debtors paid Deloitte Tax approximately \$29,000 in the ninety (90) days prior to the February Petition Date. As of the February Petition Date, Deloitte Tax was owed approximately \$55,000 by the February Debtors with respect to invoices issued by Deloitte Tax prior to the February Petition Date. Subject to approval of the Application, Deloitte Tax will not seek any recovery with respect to such amount.

10. Despite the efforts described above to identify and disclose Deloitte Tax's connections with the parties-in-interest in these Cases, because Deloitte Tax is a nationwide firm with thousands of personnel, and because the February Debtors and their affiliates are a large enterprise, Deloitte Tax is unable to state with certainty that every client relationship or other connection has been disclosed. In this regard, if Deloitte Tax discovers additional material information that it determines requires disclosure, it will file a supplemental disclosure promptly with the Court.

11. From the internal search discussed above (and in addition to the disclosures made in the TSN Declaration), Deloitte Tax has determined that certain relationships should be disclosed as follows.

- a. Deloitte Tax provides services in matters unrelated to these Cases to certain of the February Debtors' largest unsecured creditors and other Potential Parties-in-Interest listed on Schedule 1 or their affiliates.
- b. Certain Potential Parties-in-Interest may be adverse to and/or involved in litigation matters with Deloitte Tax or its affiliates in connection with matters unrelated to these Cases.

12. Furthermore, through reasonable inquiry, I do not believe there is any connection between the personnel of Deloitte Tax or its affiliates who are anticipated to provide services to

the February Debtors and the United States Bankruptcy Judge presiding in the Cases, United States Trustee for Region 2, the Assistant United States Trustees for the Southern District of New York and the attorney therefor.

13. Except as may be disclosed herein, to the best of my knowledge, Deloitte Tax and the Deloitte Tax Engagement Partners/Principals/Directors do not hold or represent any interest adverse to the February Debtors, and I believe that Deloitte Tax and the Deloitte Tax Engagement Partners/Principals/Directors are “disinterested persons” as that term is defined in Bankruptcy Code section 101(14), as modified by Bankruptcy Code section 1107(b).

Services and Professional Compensation

14. Deloitte Tax has provided and agrees to continue to provide assistance to the February Debtors in accordance with the terms and conditions set forth in the Application and the Engagement Letter. In particular, Deloitte Tax may perform certain of the following services (the “*Tax Services*”) as requested by the February Debtors and agreed to by Deloitte Tax:

Bankruptcy Tax Services

- (i) Advise the February Debtors in their work with their counsel and financial advisors on the cash tax effects of restructuring and bankruptcy and the post-restructuring tax profile, including plan of reorganization tax costs;
- (ii) Advise the February Debtors regarding the restructuring and bankruptcy emergence process from a tax perspective, including the tax work plan;
- (iii) Advise the February Debtors on the cancellation of debt income for tax purposes under Internal Revenue Code (“*IRC*”) section 108;
- (iv) Advise the February Debtors on post-bankruptcy tax attributes (tax basis in assets, tax basis in subsidiary stock and net operating loss carryovers) available under the applicable tax regulations and the reduction of such attributes based on the February Debtors’ operating projections; including a technical analysis of the effects of Treasury Regulation Section 1.1502-28 and the interplay with IRC sections 108 and 1017;
- (v) Advise the February Debtors on potential effect of the Alternative Minimum Tax in various post-emergence scenarios;

- (vi) Advise the February Debtors on the effects of tax rules under IRC sections 382(l)(5) and (l)(6) pertaining to the post-bankruptcy net operating loss carryovers and limitations on their utilization and the February Debtors' ability to qualify for IRC section 382(l)(5);
- (vii) Advise the February Debtors on net built-in gain or net built-in loss position at the time of "ownership change" (as defined under IRC section 382), including limitations on use of tax losses generated from post-restructuring or post-bankruptcy asset or stock sales;
- (viii) Advise the February Debtors as to the proper treatment of post-petition interest for state and federal income tax purposes;
- (ix) Advise the February Debtors as to the proper state and federal income tax treatment of pre-petition and post-petition reorganization costs including restructuring-related professional fees and other costs, the categorization and analysis of such costs, and the technical positions related thereto;
- (x) Advise the February Debtors in their evaluation and modeling of the tax effects of liquidating, disposing of assets, merging or converting entities as part of the restructuring, including the effects on federal and state tax attributes, state incentives, apportionment and other tax planning;
- (xi) Advise the February Debtors on state income tax treatment and planning for restructuring or bankruptcy provisions in various jurisdictions including cancellation of indebtedness calculation, adjustments to tax attributes and limitations on tax attribute utilization;
- (xii) Advise the February Debtors on responding to tax notices and audits from various taxing authorities;
- (xiii) Assist the February Debtors with identifying potential tax refunds and advise the February Debtors on procedures for tax refunds from tax authorities;
- (xiv) Advise the February Debtors on income tax return reporting of bankruptcy issues and related matters;
- (xv) Advise the February Debtors in their review and analysis of the tax treatment of items adjusted for financial reporting purposes as a result of "fresh start" accounting as required for the emergence date of the U.S. financial statements in an effort to identify the appropriate tax treatment of adjustments to equity (including issuance of new equity, options, and/or warrants); and other tax basis adjustments to assets and liabilities recorded;
- (xvi) Assist in documenting as appropriate, the tax analysis, development of the February Debtors' opinions, recommendation, observations, and correspondence for any proposed restructuring alternative, tax issue or other tax matter described above;

- (xvii) Advise the February Debtors regarding other state or federal income tax questions that may arise in the course of this engagement, as requested by the February Debtors, and as may be agreed to by Deloitte Tax;
- (xviii) Advise the February Debtors in their efforts to calculate tax basis in the stock in each of the February Debtors' subsidiaries or other entity interests;
- (xix) Advise the February Debtors with their evaluation of any original issue discount or applicable high yield discount obligation provisions that may be associated with the new debt instruments instituted in connection with the restructuring and/or bankruptcy filing and
- (xx) Assist the February Debtors with income tax compliance services, as needed.

Tax Provision Assistance

- (i) Assist the February Debtors with the computation of their entries required to adjust the income tax account balances such that they are consistent with the tax return filed for the year ended December 31, 2010;
- (ii) Assist the February Debtors with the computation of their federal, state and foreign current income tax asset/liability balances as of December 31, 2010;
- (iii) Assist the February Debtors in computing their federal, state and foreign current income tax provisions for the year ended December 31, 2010;
- (iv) Assist the February Debtors with effects to identify tax provision items to be recorded to equity (either additional paid in capital or other comprehensive income) for the year ended December 31, 2010;
- (v) Assist the February Debtors with their computation of federal, state and foreign deferred income tax asset/liability balances as of December 31, 2010;
- (vi) Assist the February Debtors in computing their federal, state and foreign deferred income tax provisions for the year ended December 31, 2010;
- (vii) Assist the February Debtors with their classification of deferred tax assets and liabilities into appropriate disclosure categories (current and non-current) as of December 31, 2010;
- (viii) Assist the February Debtors with their assessment of the need to record a valuation allowance with respect to deferred tax assets;
- (ix) Deloitte Tax will meet with the February Debtors and their independent auditors prior to applying any of the steps noted above to any unusual or non-recurring transaction or circumstances for purposes of obtaining the February Debtors' director and approval as to the proposed accounting and related documentation;

- (x) Assist the February Debtors with their preparation of the income tax footnote and related disclosures for the year ended December 31, 2010 and
- (xi) Assist with interim income tax calculations and related disclosure, as needed.

15. The agreed-upon hourly rates for the Tax Services as outlined in the Engagement Letter, are as follows:

<u>Personnel Classification</u>	<u>Tax Services Hourly Rate</u>
Partner, Principal, or Director	\$640-730
Senior Manager	\$565-590
Manager	\$490-515
Senior	\$365-390
Staff	\$280-305

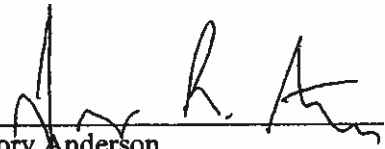
16. In addition, reasonable expenses, including travel, report production, delivery services, and other expenses incurred in providing the services, will be included in the total amount billed. Deloitte Tax intends to apply to the Court for allowance of compensation and reimbursement of expenses consistent with the terms of the Engagement Letter, the Application and this Declaration, the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the Order Establishing Procedures for Monthly Compensation and Reimbursement of Expenses of Professionals, dated December 21, 2010, the Court's Order Establishing Procedures for Interim Compensation and Reimbursement of Professionals [Case No. 10-15446, Docket No. 174], made applicable to the February Debtors' cases by the Court's Order Directing that Certain Orders in the Chapter 11 Cases of TerreStar Networks Inc., *et al.* Be Made Applicable to the Chapter 11 Cases of TerreStar Corporation and TerreStar Holdings Inc. *Nunc Pro Tunc* to the Petition Date [Docket No. 13], the United States Trustee Guidelines and the Orders of this Court.

17. Deloitte Tax requests that it be permitted to submit monthly invoices for services rendered and expenses incurred. Such invoices will contain reasonable detail consistent with any rules, guidelines and/or administrative orders promulgated by the Court that apply to these Cases. Deloitte Tax requests that the invoices, after appropriate review, be paid in a manner consistent with the payment of other retained professionals in this matter, consistent with any administrative orders, if any, that would apply to interim payments. All payments rendered pursuant to Deloitte Tax's retention by the February Debtors must be approved by an Order of this Court and based upon the filing by Deloitte Tax of appropriate interim and final applications for allowance of compensation and reimbursement of expenses.

18. Deloitte & Touche LLP ("*Deloitte & Touche*") has completed a reorganization of some of its businesses, including its financial advisory services, tax services, solutions, human capital and outsourcing businesses. This reorganization is intended to align the organizational structure more closely with the manner in which business is conducted. These businesses are now being conducted by entities affiliated with Deloitte & Touche, including Deloitte Financial Advisory Services LLP, Deloitte Tax and Deloitte Consulting LLP. Some services incidental to the tasks to be performed by Deloitte Tax in these Cases may be performed by personnel now employed by or associated with these affiliates of Deloitte Tax or their respective subsidiaries, including subsidiaries located outside of the United States. The fees and expenses with respect to such services will be included on the fee applications of Deloitte Tax.

19. Deloitte Tax has received no promises regarding compensation in these Cases other than in accordance with the Bankruptcy Code and as set forth in this Declaration. Deloitte Tax has no agreement with any nonaffiliated entity to share any compensation earned in these Cases.

Dated: April 21, 2011

By: 
Gregory Anderson
Director
Deloitte Tax LLP

Schedule 1

Potential Parties-in-Interest for whom Deloitte Tax or its affiliates has provided or is currently providing services in matters unrelated to these Cases, except as set forth herein or with whom such parties have other relationships, including banking relationships. The Parties-in-Interest listed below are in addition to those previously disclosed in the TSN Declaration.

Colbeck Capital

Computershare Inc.

Computershare Limited

General Atlantic

Marathon Asset Management LLC

NexBank, SSB

Schedule 2

TSN Declaration

**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

**DECLARATION OF GREGORY ANDERSON IN SUPPORT OF
DEBTORS' APPLICATION FOR ENTRY OF AN ORDER PURSUANT TO SECTION
327 OF THE BANKRUPTCY CODE AND FEDERAL RULES OF BANKRUPTCY
PROCEDURE 2014 AND 2016 AUTHORIZING THE EMPLOYMENT AND
RETENTION OF DELOITTE TAX AS TAX SERVICES PROVIDER FOR THE
DEBTORS NUNC PRO TUNC TO THE PETITION DATE**

Pursuant to Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the "*Bankruptcy Rules*"), Gregory Anderson, under penalty of perjury, declares as follows:

1. I am a Director of the firm of Deloitte Tax LLP ("*Deloitte Tax*"), which has an office at 1750 Tysons Boulevard, McLean, Virginia 22102. I am duly authorized to make and submit this declaration (the "*Declaration*") on behalf of Deloitte Tax in accordance with section 327(a) of title 11 of the United States Code (the "*Bankruptcy Code*") and Bankruptcy Rule 2014(a) in support of the application of the Debtors for entry of an authorizing the employment and retention of Deloitte Tax as tax services provider (the "*Application*"), *nunc pro tunc* to October 19, 2010 (the "*Petition Date*"), pursuant to the terms and conditions set forth in the engagement letter (the "*Engagement Letter*"), a copy of which is attached as Exhibit C to the Application.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal taxpayer-identification number, are: TerreStar New York Inc. (6394), TerreStar Networks Inc. (3931), Motient Communications Inc. (3833), Motient Holdings Inc. (6634), Motient License Inc. (2431), Motient Services Inc. (5106); Motient Ventures Holding Inc. (6191), MVH Holdings Inc. (9756), 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).

Disinterestedness

2. The statements set forth in this Declaration are based upon my personal knowledge, upon information and belief, and upon client matter records kept in the ordinary course of business that were reviewed by me or other personnel of Deloitte Tax or its affiliates.

3. Subject to the foregoing, except as set forth herein, and in the attachments hereto, to the best of my information, knowledge and belief based on reasonable inquiry, (1) neither I, Deloitte Tax, nor any partner, principal or director of Deloitte Tax that is anticipated to provide the services for which Deloitte Tax is to be retained (the “*Deloitte Tax Engagement Partners/Principals/Directors*”) holds any interest adverse to the Debtors or its affiliates with respect to the matters on which Deloitte Tax is to be retained in the above-captioned chapter 11 cases, and (2) Deloitte Tax and the Deloitte Tax Engagement Partners/Principals/Directors have no relationship to the Debtors, their significant creditors, certain other parties-in-interest herein, or to the attorneys that are known to be assisting the Debtors in these chapter 11 cases, except as stated herein or on any attachment hereto.

4. From time to time, Deloitte Tax and its affiliates have provided or may currently provide services and likely will continue to provide services, to certain creditors of the Debtors and various other parties potentially adverse to the Debtors in matters unrelated to these chapter 11 cases.

5. In connection with Deloitte Tax’s proposed retention by the Debtors in these chapter 11 cases, Deloitte Tax undertook a search to determine, and to disclose, whether it or its affiliates are or have been employed by or has other relationships with any of the Debtors or their affiliates, subsidiaries, directors or officers, or any of the Debtors’ significant creditors,

customers, equity security holders, professionals or other entities with significant relationships with the Debtors identified on a schedule provided to Deloitte Tax. Specifically, Deloitte Tax obtained from the Debtors and/or their representatives the names of individuals and entities that may be parties-in-interest in these chapter 11 cases (the "*Potential Parties-in-Interest*").

6. To check upon and disclose possible relationships with Potential Parties-in-Interest in these chapter 11 cases, Deloitte Tax researched its client databases and performed reasonable due diligence to determine whether it or its affiliates had any relationships with any of the Debtors or their affiliates, subsidiaries, directors or officers, or any of the Debtors' significant creditors, equity security holders, professionals or other such entities with significant relationships with the Debtors.

7. Deloitte Tax and its affiliates have or may have provided professional services to or may currently provide professional services to, and may in the future provide professional services in matters unrelated to these chapter 11 cases to certain of the Potential Parties-in-Interest. Additionally, certain of these Potential Parties-in-Interest have or may have provided goods or services to or may currently provide goods or services to, and may in the future provide goods or services to, Deloitte Tax or its affiliates and the Deloitte Tax Engagement Partners/Principals/Directors in matters unrelated to these chapter 11 cases.

8. Deloitte Tax provided prepetition services to the Debtors. The Debtors or their affiliates paid Deloitte Tax approximately \$295,000, including in the form of retainers, in the ninety (90) days prior to the Petition Date. As of the Petition Date, none of the retainer remained outstanding. As of the Petition Date, no amounts were outstanding with respect to invoices issued by Deloitte Tax prior to the Petition Date.

9. Despite the efforts described above to identify and disclose Deloitte Tax's connections with the parties-in-interest in these chapter 11 cases, because Deloitte Tax is a nationwide firm with thousands of personnel, and because the Debtors are a large enterprise, Deloitte Tax is unable to state with certainty that every client relationship or other connection has been disclosed. In this regard, if Deloitte Tax discovers additional material information that it determines requires disclosure, it will file a supplemental disclosure promptly with the Court.

10. From the internal search discussed above, Deloitte Tax has determined that certain relationships should be disclosed as follows.

- a. Deloitte Tax provides services in matters unrelated to these chapter 11 cases to certain of the Debtors' largest unsecured creditors and other Potential Parties-in-Interest listed on Schedule 1 or their affiliates.
- b. Law firms identified on Schedule 1, including Akin Gump Strauss Hauer & Feld LLP; Fraser Milner Casgrain LLP; Quinn Emanuel Urquhart & Sullivan LLP; and Weil, Gotshal & Manges LLP, have provided, currently provide and may in the future provide legal services to Deloitte Tax or its affiliates in matters unrelated to these chapter 11 cases, and/or Deloitte Tax or its affiliates have provided, currently provide and may in the future provide services to such firms or their clients.
- c. In the ordinary course of its business, Deloitte Tax and its affiliates have business relationships in unrelated matters with its principal competitors, which together with their affiliates may be Potential Parties-in-Interest in these chapter 11 cases. For example, from time to time, Deloitte Tax and one or more of such entities may work on assignments for the same client or may otherwise engage each other for various purposes.
- d. Certain financial institutions or their respective affiliates (including Bank of America, JP Morgan Chase, and US Bank, N.A.) listed on Schedule 1 are lenders to an affiliate of Deloitte Tax. Deloitte Tax is a guarantor of such indebtedness. Certain of these financial institutions may have also financed a portion of the capital and/or capital loan requirements of various partners and principals, respectively, of Deloitte Tax and its affiliates.
- e. Certain firms around the world, including Deloitte LLP, an affiliate of Deloitte Tax, are members of Deloitte Touche Tohmatsu Limited ("**DTT**"), a United Kingdom company limited by guaranty. Certain of the non-US member firms of DTT or their affiliates (the "**DTT Member Firms**") have

provided, currently provide or may in the future provide professional services to certain of the Debtors' affiliates.²

- f. The DTT Member Firm in Canada or its affiliate ("*Deloitte Canada*") acts as information officer under the terms and conditions of a Canadian court order issued in connection with the Companies' Creditors Arrangement Act ("*CCA*") proceeding of the Debtors' affiliates in Canada. I understand that the Debtors requested that Deloitte Canada perform this role and are paying Deloitte Canada's fees with respect thereto. I further understand that, as information officer in a CCA proceeding, Deloitte Canada will, among other things, report to the Canadian court presiding over the CCA proceeding on the status of these chapter 11 cases, the proposed restructuring of the Debtors and other relevant information.
- g. Deloitte Tax has provided and is expected to continue to provide services to the nondebtor, parent entity of the Debtors, TerreStar Corporation. The services for the Debtors provided prior to the Petition Date were rendered pursuant to engagement letters with TerreStar Corporation. Deloitte Tax expects to provide certain services to TerreStar Corporation pursuant to these pre-petition letters after the Petition Date, including certain tax restructuring services.
- h. Deloitte Tax and/or its affiliates provide services to EchoStar Corporation and Harbinger Capital Partners in matters unrelated to these chapter 11 cases.
- i. Certain Potential Parties-in-Interest may be adverse to and/or involved in litigation matters with Deloitte Tax or its affiliates in connection with matters unrelated to these chapter 11 cases.

11. Furthermore, through reasonable inquiry, I do not believe there is any connection between the personnel of Deloitte Tax or its affiliates who are anticipated to provide services to the Debtors and the United States Bankruptcy Judge presiding in these chapter 11 cases, the United States Trustee for Region 2, the Assistant United States Trustees for the Southern District of New York, and the attorney therefor assigned to these chapter 11 cases.

12. Except as may be disclosed herein, to the best of my knowledge, Deloitte Tax and the Deloitte Tax Engagement Partners/Principals/Directors do not hold or represent any interest

² Each of the DTT Member firms is a separate and independent legal entity. It is not Deloitte Tax's practice to undertake conflicts checks with DTT Member Firms for the purpose of identifying relationships that they may have with the Debtors and other parties-in-interest and Deloitte Tax does not maintain a database for the purpose of identifying all such relationships.

adverse to the Debtors, and I believe that Deloitte Tax and the Deloitte Tax Engagement Partners/Principals/Directors are “disinterested persons” as that term is defined in Section 101(14) of the Bankruptcy Code, as modified by Section 1107(b) of the Bankruptcy Code.

Services and Professional Compensation

13. Deloitte Tax has provided and agrees to continue to provide assistance to the Debtors in accordance with the terms and conditions set forth in the Application and the Engagement Letter. In particular, Deloitte Tax may perform certain of the following services (the “*Tax Services*”) as requested by the Debtors and agreed to by Deloitte Tax:

Bankruptcy Tax Services

- (i) Advise the Debtors in their work with their counsel and financial advisors on the cash tax effects of restructuring and bankruptcy and the post-restructuring tax profile, including plan of reorganization tax costs;
- (ii) Advise the Debtors regarding the restructuring and bankruptcy emergence process from a tax perspective, including the tax work plan;
- (iii) Advise the Debtors on the cancellation of debt income for tax purposes under Internal Revenue Code (“*IRC*”) section 108;
- (iv) Advise the Debtors on post-bankruptcy tax attributes (tax basis in assets, tax basis in subsidiary stock and net operating loss carryovers) available under the applicable tax regulations and the reduction of such attributes based on the Debtors’ operating projections; including a technical analysis of the effects of Treasury Regulation Section 1.1502-28 and the interplay with IRC sections 108 and 1017;
- (v) Advise the Debtors on potential effect of the Alternative Minimum Tax (as defined in the IRC) in various post-emergence scenarios;
- (vi) Advise the Debtors on the effects of tax rules under IRC sections 382(l)(5) and (l)(6) pertaining to the post-bankruptcy net operating loss carryovers and limitations on their utilization and the Debtors’ ability to qualify for IRC section 382(l)(5);
- (vii) Advise the Debtors on net built-in gain or net built-in loss position at the time of “ownership change” (as defined under IRC section 382), including limitations on use of tax losses generated from post-restructuring or post-bankruptcy asset or stock sales;
- (viii) Advise the Debtors as to the proper treatment of post-petition interest for state and federal income tax purposes;

- (ix) Advise the Debtors as to the proper state and federal income tax treatment of pre-petition and post-petition reorganization costs including restructuring-related professional fees and other costs, the categorization and analysis of such costs, and the technical positions related thereto;
- (x) Advise the Debtors in their evaluation and modeling of the tax effects of liquidating, disposing of assets, merging or converting entities as part of the restructuring, including the effects on federal and state tax attributes, state incentives, apportionment and other tax planning;
- (xi) Advise the Debtors on state income tax treatment and planning for restructuring or bankruptcy provisions in various jurisdictions including cancellation of indebtedness calculation, adjustments to tax attributes and limitations on tax attribute utilization;
- (xii) Advise the Debtors on responding to tax notices and audits from various taxing authorities;
- (xiii) Assist the Debtors with identifying potential tax refunds and advise the Debtors on procedures for tax refunds from tax authorities;
- (xiv) Advise the Debtors on income tax return reporting of bankruptcy issues and related matters;
- (xv) Advise the Debtors in their review and analysis of the tax treatment of items adjusted for financial reporting purposes as a result of “fresh start” accounting as required for the emergence date of the U.S. financial statements in an effort to identify the appropriate tax treatment of adjustments to equity (including issuance of new equity, options, and/or warrants); and other tax basis adjustments to assets and liabilities recorded;
- (xvi) Assist in documenting as appropriate, the tax analysis, development of the Debtors’ opinions, recommendation, observations, and correspondence for any proposed restructuring alternative tax issue or other tax matter described above;
- (xvii) Advise the Debtors regarding other state or federal income tax questions that may arise in the course of this engagement, as requested by the Debtors, and as may be agreed to by Deloitte Tax;
- (xviii) Advise the Debtors in their efforts to calculate tax basis in the stock in each of the Debtors’ subsidiaries or other entity interests; and
- (xix) Advise the Debtors with their evaluation of any original issue discount or applicable high yield discount obligation provisions that may be associated with the new debt instruments instituted in connection with the restructuring and/or bankruptcy filing.

Other Tax Services

- (iii) Assist the Debtors with federal and state income tax compliance matters; and
- (i) Assist the Debtors with federal and state tax provision matters.

14. The agreed-upon hourly rates for the Tax Services as outlined in the Engagement Letter, are as follows:

<u>Personnel Classification</u>	<u>Hourly Rate</u>
Partner, Principal, or Director	\$640-730
Senior Manager	\$565-590
Manager	\$490-515
Senior	\$365-390
Staff	\$280-305

15. In addition, reasonable expenses, including travel, reproduction, delivery services, and other expenses incurred in providing the services, will be included in the total amount billed. Deloitte Tax intends to apply to the Court for allowance of compensation and reimbursement of expenses in accordance with sections 330 and 331 of the Bankruptcy Code, applicable provisions of the Bankruptcy Rules, the Local Rules, the Amended Order Establishing Procedures for Monthly Compensation and Reimbursement of Expenses of Professionals, dated November 25, 2009, the Amended Guidelines for Fees and Disbursements for Professionals in the Southern District of New York, dated November 25, 2009, and the U.S. Trustee Fee Guidelines (collectively, the "*Fee Guidelines*") and the Court's Order Establishing Procedures for Interim Compensation and Reimbursement of Professionals [Docket No. 174] (the "*Interim Compensation Order*").

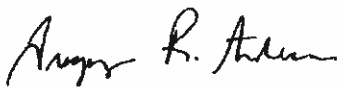
16. Deloitte Tax intends to submit monthly statements for services rendered and expenses incurred pursuant to the Interim Compensation Order and the Fee Guidelines. Deloitte Tax requests that the invoices, after appropriate review, be paid in a manner consistent with the payment of other retained professionals in these chapter 11 cases.

17. Deloitte & Touche LLP ("*Deloitte & Touche*") has completed a reorganization of some of its businesses, including its financial advisory services, tax services, solutions, human

capital and outsourcing businesses. This reorganization is intended to align the organizational structure more closely with the manner in which business is conducted. These businesses are now being conducted by entities affiliated with Deloitte & Touche, including Deloitte Financial Advisory Services LLP, Deloitte Tax and Deloitte Consulting LLP. Some services incidental to the tasks to be performed by Deloitte Tax in these chapter 11 cases may be performed by personnel now employed by or associated with these affiliates of Deloitte Tax or their respective subsidiaries, including subsidiaries located outside of the United States. The fees and expenses with respect to such services will be included on the fee applications of Deloitte Tax.

18. Deloitte Tax has received no promises regarding compensation in these chapter 11 cases other than in accordance with the Bankruptcy Code and as set forth in this Declaration. Deloitte Tax has no agreement with any nonaffiliated entity to share any compensation earned in these chapter 11 cases.

Dated: December 13, 2010

By: 

Gregory Anderson
Director
Deloitte Tax LLP

Schedule 1

Potential Parties-in-Interest for whom Deloitte Tax or its affiliates has provided or is currently providing services in matters unrelated to these chapter 11 cases, except as set forth in the Declaration, or with whom such parties have other relationships, including banking relationships.

Akin Gump Strauss Hauer & Feld LLP

Alcatel-Lucent Holding Inc.

Archer Capital Management

AT&T

Bank of America

Bank of New York Mellon

Blackstone Group, The

Carlyle Group, The

EchoStar Corporation

Federal Express

Fraser Milner Casgrain LLP

Harbinger Capital Partners

Highland Capital Management

Houlihan Lokey Howard & Zukin

Hughes Network Systems, LLC

Infineon Technologies AG

Intrado, Inc.

Jefferies & Company, Inc.

JPMorgan Securities

Merrill Lynch

Motient

MSD Capital, LP

Nokia Siemens Networks US LLC

Och Ziff

Qualcomm

**Quinn Emanuel Urquhart & Sullivan,
LLP**

SAP America, Inc.

Space Systems/Loral Inc.

Sprint Nextel

TerreStar Corporation

United Parcel Service

US Bank National Association

Weil, Gotshal & Manges, LLP

Whitebox Advisors

EXHIBIT C
Engagement Letter



Deloitte Tax LLP
1750 Tysons Boulevard
Suite 800
McLean, VA 22102-4219
USA

Tel: 703-251-1000
Fax: 703-251-3400
www.deloitte.com

February 16, 2011

Mr. Vincent Loiacono
Chief Financial Officer
TerreStar Corporation.
12010 Sunset Hills Road
Reston, VA 20190

Dear Mr. Loiacono:

Thank you for choosing Deloitte Tax LLP ("Deloitte Tax" or "our") to provide federal, state and local income tax advisory services ("Services") to TerreStar Corporation, and the subsidiaries and affiliates identified below in connection with Client's restructuring pursuant to a Chapter 11 filing ("TerreStar and selected affiliates" or "Client"):

TerreStar New York Inc,
Motient Communications Inc,
Motient Holdings Inc,
Motient License Inc,
Motient Services, Inc.
Motient Ventures Holding Inc,
MVH Holding Inc

This engagement letter ("Engagement Letter") describes the scope of the Services, the respective responsibilities of Deloitte Tax and Client, and the fees associated with such Services. With respect to Services for the Client only, this Engagement Letter supersedes the engagement letter between TerreStar Corporation and Deloitte Tax, dated July 6, 2010.

SCOPE OF SERVICES

Client and Deloitte Tax agree that the terms of this Engagement Letter will apply to all Services provided by Deloitte Tax to Client during the period beginning February 16, 2011 through the later of (i) December 31, 2011, or (ii) the date the Client emerges from bankruptcy, unless such services are the subject of a separate written agreement entered into between Deloitte Tax and Client.

Tax Restructuring Services

Deloitte Tax has agreed to perform Services related to debt discharge and other tax issues arising in connection with Client's restructuring through a Chapter 11 filing of which Client is the subject, which will be authorized by Client management as of the effective date as indicated thereon. The Services may include the following:

- (i) Advise Client in Client's work with Client's counsel and Client's financial advisors on the cash tax effects of restructuring and bankruptcy and the post-restructuring tax profile, including plan of reorganization tax costs. This will include gaining an understanding of the Client's financial advisors' valuation model and disclosure model to consider accuracy of tax assumptions;

- (ii) Advise Client regarding the restructuring and bankruptcy emergence process from a tax perspective, including the tax work plan;
- (iii) Advise Client on the cancellation of debt income for tax purposes under Internal Revenue Code ("IRC") section 108;
- (iv) Advise Client on post-bankruptcy tax attributes (tax basis in assets, tax basis in subsidiary stock and net operating loss carryovers) available under the applicable tax regulations and the reduction of such attributes based on Client's operating projections; including a technical analysis of the effects of Treasury Regulation Section 1.1502-28 and the interplay with IRC sections 108 and 1017;
- (v) Advise Client on potential effect of the Alternative Minimum Tax in various post-emergence scenarios;
- (vi) Advise Client on the effects of tax rules under IRC sections 382(l)(5) and (l)(6) pertaining to the post-bankruptcy net operating loss carryovers and limitations on their utilization and Client's ability to qualify for IRC section 382(l)(5);
- (vii) Advise Client on net built-in gain or net built-in loss position at the time of "ownership change" (as defined under IRC section 382), including limitations on use of tax losses generated from post-restructuring or post-bankruptcy asset or stock sales;
- (viii) Advise Client as to the proper treatment of post-petition interest for state and federal income tax purposes;
- (ix) Advise Client as to the proper state and federal income tax treatment of pre-petition and post-petition reorganization costs including restructuring-related professional fees and other costs, the categorization and analysis of such costs, and the technical positions related thereto;
- (x) Advise Client in Client's evaluation and modeling of the tax effects of liquidating, disposing of assets, merging or converting entities as part of the restructuring, including the effects on federal and state tax attributes, state incentives, apportionment and other tax planning;
- (xi) Advise Client on state income tax treatment and planning for restructuring or bankruptcy provisions in various jurisdictions including cancellation of indebtedness calculation, adjustments to tax attributes and limitations on tax attribute utilization;
- (xii) Advise Client on responding to tax notices and audits from various taxing authorities;
- (xiii) Assist Client with identifying potential tax refunds and advise Client on procedures for tax refunds from tax authorities;
- (xiv) Advise Client on income tax return reporting of bankruptcy issues and related matters;
- (xv) Advise Client in its review and analysis of the tax treatment of items adjusted for financial reporting purposes as a result of "fresh start" accounting as required for the emergence date of the U.S. financial statements in an effort to identify the appropriate tax treatment of adjustments to equity (including issuance of new equity, options, and/or warrants); and other tax basis adjustments to assets and liabilities recorded;
- (xvi) Assist in documenting as appropriate, the tax analysis, development of Client's opinions, recommendation, observations, and correspondence for any proposed restructuring alternative tax issue or other tax matter described above; and
- (xvii) Advise Client regarding other state or federal income tax questions that may arise in the course of this engagement, as requested by Client, and as may be agreed to by Deloitte Tax;

- (xviii) Advise Client in Client's efforts to calculate tax basis in the stock in each of Client's subsidiaries or other entity interests; and
- (xix) Advise Client with its evaluation of any original issue discount or applicable high yield discount obligation provisions that may be associated with the new debt instruments instituted in connection with the restructuring and/or bankruptcy filing.
- (xx) Assistance with federal and state income tax compliance.

Tax Provision Advisory Services

Client has requested assistance related to its preparation of its income tax provision and current and deferred income tax asset and liability accounts under the provisions of ASC 740, *Income Taxes*. ("ASC 740") for the year ending December 31, 2010.

The Services to be provided by Deloitte Tax are to be performed under Client's direction and oversight. The scope of the Services has been established based on discussions with you. Determination as to the sufficiency of the Services for purposes of meeting financial reporting requirements is solely the responsibility of Client, as discussed below. In addition, the scope of the Services may be changed or modified by mutual agreement between Client and Deloitte Tax if, for example, unforeseen circumstances arise. Deloitte Tax will promptly discuss any such circumstances it notes with Client and, likewise, Client agrees to promptly notify Deloitte Tax if Client believes that modifications to the scope of the Services are necessary.

Deloitte Tax expects that there will be no Deloitte Tax report, memorandum or other formal deliverable issued in connection with these Services. The work product under this engagement will likely consist of providing verbal comments and observations, regarding Client's ASC 740 related computations and documentation reflecting collaboration between Client and Deloitte Tax personnel. In some cases, such computations and documentation may be initially prepared by Deloitte Tax personnel for Client's consideration. Client's management will be responsible for reviewing and making all decisions with respect to approval, potential modifications and ultimate acceptance of the computations. Additionally, the computations and documentation, with which Deloitte Tax has provided assistance, will include a statement accompanying the computations and documentation as follows:

The information contained herein or accompanying this transmittal (i) has been prepared at the direction of, and is intended solely for the use of TerreStar Corporation and selected affiliates ("Client") and is not intended to be used by or for the benefit of, or relied upon by or for the benefit of, any third party; (ii) is subject to the terms and conditions set forth in the engagement letter governing this engagement, including, without limitation, the scope limitations and Client's responsibilities set forth therein; (iii) does not constitute an opinion or any other form of assurance with respect to any matter, including, without limitation, the application of any accounting principles under the requirements of Statements of Auditing Standards Nos. 50 and 97; and (iv) is intended for Client's review, consideration, possible modification and ultimate approval and acceptance as Client's own document. The determination of the appropriate accounting treatment and/or financial statement presentation is the sole responsibility of Client. Deloitte Tax LLP makes no representation regarding the sufficiency of its services either

for the purposes for which this communication has been requested or for any other purpose.

The Services that Deloitte Tax will provide include the following:

1. Assist Client with the computation of its entries required to adjust the income tax account balances such that they are consistent with the tax return filed for the year ended December 31, 2009.
2. Assist Client with the computation of its federal, state and foreign current income tax asset/liability balances as of December 31, 2010.
3. Assist Client in computing its federal, state and foreign current income tax provisions for the year ending December 31, 2010.
4. Assist Client with efforts to identify tax provision items to be recorded to equity (either additional paid in capital or other comprehensive income) for the year ending December 31, 2010.
5. Assist Client with its computation of its federal, state and foreign deferred income tax asset/liability balances as of December 31, 2010.
6. Assist Client in computing its federal, state and foreign deferred income tax provisions for the year ending December 31, 2010.
7. Assist Client with its classification of deferred tax assets and liabilities into appropriate disclosure categories (Current and non-current) as of December 31, 2010.
8. Assist Client with its assessment of the need to record a valuation allowance with respect to deferred tax assets.
9. Deloitte Tax will meet with Client and its independent auditors prior to applying any of the steps noted above to any unusual or non-recurring transaction or circumstances for purpose of obtaining Client's direction and approval as to the proposed accounting and related documentation.
10. Assist Client with its preparation of the income tax footnote and related disclosures for the year ending December 31, 2010.

The term "assist" as used above includes circumstances where Deloitte Tax may perform the work described, but will do so only under the direction and oversight of, and for use by, the person designated by Client which will have overall responsibility for the work and the related results.

From time to time additional Deloitte Tax services may be requested by Client, at which point, and to the extent agreed to by Deloitte Tax, an addendum ("Addendum") setting forth the scope of such services and the effective date of the performance thereof shall be executed as an addition to this Engagement Letter. The Addendum shall be executed by authorized representatives of Client and Deloitte Tax and shall become a part of this Engagement Letter. In the event of any inconsistency in the terms set forth in this Engagement Letter and the attached General Business Terms and Privacy Notice, the terms of this Engagement Letter shall control. In the event of any inconsistency in the terms set forth in this Engagement Letter and the terms of any Addendum hereto, the terms of this Engagement Letter shall control. Notwithstanding the immediately preceding sentence, in the event that an Addendum expressly provides that certain provisions therein shall control over specified provisions of this Engagement Letter, then, to the extent that such provisions of the Addendum conflict or are inconsistent with the specified provisions of this Engagement Letter, such provisions of the Addendum shall control. If an Addendum is

not executed, as previously described, the terms of this Engagement Letter will apply to the additional Deloitte Tax services provided.

TAX POSITIONS AND POTENTIAL PENALTIES

Deloitte Tax will discuss with Client tax positions that Deloitte Tax is aware of as a result of the Advisory Services and for which Client or Deloitte Tax could be subject to potential penalties. With respect to those tax positions, Deloitte Tax will discuss any opportunity to avoid such penalties through adequate disclosure, if relevant, and the requirements for adequate disclosure. Client should be aware that in certain instances, the standards to avoid a potential penalty applicable to Deloitte Tax, as a tax return preparer, may exceed the accuracy related penalty standards applicable to Client.

ECONOMIC SUBSTANCE PENALTY

Federal law imposes a strict liability penalty of 20% (or 40% for transactions not adequately disclosed) of the portion of any underpayment attributable to the disallowance of claimed tax benefits by reason of a transaction failing to meet the requirements of the codified economic substance doctrine (Internal Revenue Code section 7701(o)) or any similar rule of law. Where Deloitte Tax advises whether the codified doctrine is relevant to any of Client's transaction(s), such analysis will be based on existing judicial, regulatory and administrative guidance. Client should understand that, because the Internal Revenue Service ("IRS") has not provided substantive guidance regarding the relevance of the codified doctrine or when the associated penalty will be asserted, the IRS could assert that Client's transaction fails the requirements of the codified doctrine and assert the associated penalty notwithstanding Deloitte Tax's analysis or conclusion that the codified doctrine is not relevant. Due to the strict liability nature of the penalty, Client cannot show reasonable cause by establishing reliance upon any advice received from Deloitte Tax.

REPORTABLE TRANSACTIONS

The Internal Revenue Service ("IRS") and several states have promulgated rules that require taxpayers to disclose their participation in reportable transactions by attaching a disclosure form to their Federal and/or state income tax returns and, when necessary, by filing a copy of that disclosure form with the IRS and/or the applicable state authority. These rules impose a significant disclosure obligations that may encompass transactions entered into in the normal course of business. The services that are the subject of this Engagement Letter do not include any obligation by Deloitte Tax to identify any reportable transactions or disclosure obligations. Any services regarding reportable transactions will be provided under the terms of a separate engagement letter. Client is responsible for ensuring that it has properly disclosed all reportable transactions; failure to make required disclosure will result in substantial penalties. Deloitte Tax will not be liable for any penalties resulting from Client's failure to accurately and timely file any required reportable transaction disclosure.

ACKNOWLEDGEMENTS AND AGREEMENTS

The Services will be performed in accordance with the *Statement on Standards for Consulting Services* established by the American Institute of Certified Public Accountants ("AICPA"). The Services to be performed by Deloitte Tax will be established by mutual agreement and can be changed or modified in the same manner. Deloitte Tax will promptly inform Client of any circumstances that warrant a change in the scope of the specific Services to be provided, and similarly, Client agrees to notify Deloitte Tax promptly if modifications to the Services are requested.

It is contemplated that the Services requested from Deloitte Tax may include oral and written opinions, consulting, recommendations and other communications rendered in response to specific tax questions posed by Client. Deloitte Tax's analysis and response to these tax questions may be based upon an analysis of various documentation including, but not limited to, legal opinions, books and records (collectively, "books and records") relevant to Client's transactions and business activity that Client provides to Deloitte Tax. With respect to such Services, Deloitte Tax is entitled to assume without independent verification the accuracy of all representations, assumptions, information and data provided by Client and its representatives. Deloitte Tax may ask Client to clarify or supplement information provided in this context.

Client acknowledges and agrees that the Services provided pursuant to this Engagement Letter will be based solely upon:

- (a) The representations, information, documents and other facts provided to Deloitte Tax by Client, its personnel and any representatives thereof;
- (b) Deloitte Tax's assumption that there will be timely execution, delivery and performance as may be required by any representation or documents submitted by Client with respect to the Deloitte Tax Services;
- (c) Client acknowledges that Client will maintain ultimate responsibility for all management decisions and management functions. Client understands and agrees that the ultimate responsibility, with respect to the appropriate application and interpretation of any oral or written communications, rests with management of Client. Deloitte Tax will not be held liable for any misinterpretations of oral or written communications regarding the application of tax advice.
- (d) The understanding that Deloitte Tax will only be responsible to provide tax advice with respect to the specific matter, transaction or question actually presented by Client, including the type of tax and the taxing jurisdiction specifically identified by Client (e.g., U.S. federal tax);
- (e) Client's understanding that any tax advice provided pursuant hereto will be based upon the law, regulations, cases, rulings, and other tax authority in effect at the time specific tax advice is provided. If there are subsequent changes in or to the foregoing tax authorities (for which Deloitte Tax shall have no specific responsibility to advise Client), Client acknowledges that such changes may result in that tax advice being rendered invalid or necessitate (upon Client's request) a reconsideration of that prior tax advice;
- (f) Client's understanding and agreement that the results of Deloitte Tax's tax advice may be audited and challenged by the IRS and other tax agencies, who may not agree with our positions. In this regard, Client understands that the result of any tax advice is not binding on the IRS, other tax agencies or the courts and should never be considered a representation, warranty, or guarantee that the IRS, other tax agencies or the courts will concur with our advice or opinion; and
- (g) Deloitte Tax, as a result of providing such tax advice, is under no obligation to represent Client with respect to any such challenge or an administrative or judicial challenge thereof. Deloitte Tax may be available to represent Client before the appropriate administrative tax authorities, if permissible, for an additional fee that is mutually agreed upon and which is subject to a separate engagement letter.
- (h) Client acknowledges that the performance of certain Services described herein may cause affiliates of Deloitte Tax, including Deloitte & Touche LLP ("Deloitte & Touche"), to not be independent with respect to Client's financial statements for the calendar or fiscal year to which the Services relate or in which the Services are performed. Accordingly, should Client wish to

engage Deloitte & Touche to audit said financial statements, Deloitte & Touche may be required to decline that engagement.

- (i) All management decisions and final conclusions reached in connection with this engagement will be the responsibility of Client. Deloitte Tax will not perform any management functions, make any management decisions, or perform in a capacity equivalent to that of an employee of Client.
- (j) Client will designate an individual with suitable skill, knowledge, and/or experience, preferably within senior management, to serve as the project manager and oversee the Services. Client will be solely responsible for all decisions regarding its compliance with accounting principles generally accepted in the United States of America ("GAAP").
- (k) Client will advise Deloitte Tax of any past or current differences of opinion between Client and its independent auditors concerning the proper tax or accounting treatment for a particular item or circumstance that pertains to ASC 740. Deloitte Tax has no responsibility for any disagreements between Client and Client's independent auditors or any successor independent auditors related to Client's accounting or disclosure conclusions, whether or not such conclusions of Client are related to the Services.
- (l) Client will consult with its independent auditors and be solely responsible for all decisions regarding the accounting treatment of any item discussed during this engagement. Client acknowledges that the Services do not include the recording of any amounts in Client's books or records. All amounts derived from the performance of the Services will be reviewed and approved by, and will be the responsibility of, Client's management.
- (m) Client has informed its independent auditors of the Services and will facilitate meetings, discussions, or other communications between Deloitte Tax and Client's independent auditors. The purpose of such communications will be to ensure that both Deloitte Tax and Client's independent auditors are fully aware of all facts and circumstances that may be relevant to Client's accounting for income taxes under ASC 740.
- (n) The Services will be performed in accordance with the Statement on Standards for Consulting Services issued by the American Institute of Certified Public Accountants ("AICPA"). However, the performance of the Services does not constitute an engagement to provide audit, compilation, review or attest services as described in the pronouncements on professional standards issued by the AICPA or the U.S. Public Company Accounting Oversight Board and, therefore, Deloitte Tax will not express an opinion or any other form of assurance with respect to any matters including, without limitation, compliance with GAAP.
- (o) Client's purpose for engaging Deloitte Tax to perform this work is due to the need to supplement Client management's own technical accounting resources in performing accounting analysis and to obtain guidance and insight to assist Client management in making its own determination as to appropriate application of accounting principles and not to obtain an opinion from Deloitte Tax as to such application.
- (p) Client will not seek Deloitte Tax's opinion, and Deloitte Tax will not provide any such opinion, on the application of accounting principles in connection with this engagement. Furthermore, Client management agrees that it will not represent to any third parties that it has obtained such opinion from Deloitte Tax. If such opinion is requested, any such services would be subject to a determination by Deloitte & Touche that such services can be rendered, additional client acceptance procedures and a separate signed engagement letter with terms and conditions that are acceptable to Deloitte & Touche and Client. Deloitte & Touche is under no obligation to perform such an engagement, if requested.

- (q) The nature, scope, and design of the Services are solely the responsibility of Client. Deloitte Tax will make no representation nor provide any assurance with respect to the adequacy of the Services for Client's purposes. Furthermore, Deloitte Tax has no responsibility to advise Client of other procedures that might be performed.
- (r) The responsibility of Deloitte Tax for purposes of this Engagement Letter is limited to performing the Services specified above or otherwise agreed to in writing, subject to the limitations contained herein. This engagement cannot be relied on to disclose internal control weaknesses, errors, or fraud should they exist. Deloitte Tax has no responsibility for updating the Services performed or for performing any additional services, except as agreed to in writing with Client.
- (s) Client will be solely responsible for the design and operation of effective internal controls and for complying with all applicable laws and regulations. In the performance of the Services, Deloitte Tax will not perform any evaluation of internal controls and procedures for financial reporting upon which Client's management can base its assertion in connection with the Sarbanes-Oxley Act of 2002 or related rules or regulations. In addition, Deloitte Tax will not provide any legal advice or conduct a legal review of any of Client's documents, records or policies.
- (t) Client will be solely responsible for providing accurate and complete information requested by Deloitte Tax. Deloitte Tax has no responsibility for the accuracy or completeness of the information provided by or on behalf of Client.
- (u) The scope of Services is limited in nature to the scope as set forth in this Engagement Letter and does not extend to all tax matters of Client.
- (v) The scope of Services will not include assistance with respect to Client's identification, recognition or measurement of tax positions pursuant to ASC 740. If such assistance is requested, it will be the subject of a separate signed engagement letter with terms and conditions that are acceptable to Deloitte Tax and Client.
- (w) The working papers prepared by Deloitte Tax in connection with this engagement are the property of Deloitte Tax. Upon request, copies of any or all working papers that Deloitte Tax considers to be nonproprietary will be provided to Client management. Client may provide access to such copies to Client's independent auditors in connection with their audit of Client's financial statements. However, third parties may not be provided access to such copies without prior written consent from Deloitte Tax.
- (x) **Unless provided for in a separate engagement letter, any tax advice provided by Deloitte Tax through any written or electronic communication resulting from or related to the Services described in this Engagement Letter is not to be considered a "reliance opinion", as defined in Section 10.35 of Treasury Department Circular 230, and is not intended or written by Deloitte Tax to be used, and any such communication cannot be used by Client, for the purposes of avoiding penalties that may be imposed by any governmental taxing authority or agency.**

CONSENT FOR DISCLOSURE AND USE OF TAX RETURN INFORMATION

Client authorizes that any and all information (i) furnished to Deloitte Tax for or in connection with the services under this Engagement Letter, (ii) derived or generated by Deloitte Tax from the information described in (i) above, or (iii) associated with prior years' tax return information in the possession of Deloitte Tax may, for a period of up to eight (8) years from the date of this Engagement Letter, be disclosed to and considered and used by any Deloitte Tax affiliate, related entity (or its affiliate) or subcontractor, in each case, whether located within or outside the United States, engaged directly or

indirectly for the purpose of providing services in connection with the services under this Engagement Letter and preparation of tax returns, tax planning, audited financial statements, or other financial statements or financial information as required by a government authority, municipality or regulatory body. Additionally, Client authorizes that disclosure of information described in (i) through (iii) of this paragraph may be made to Client's counsel and other Client advisors in connection with the Services under this Engagement Letter. Disclosures under this paragraph may consist of all information contained in Client's tax returns; if Client wishes to request a more limited disclosure of tax return information, Client must inform Deloitte Tax. Client acknowledges that Client's tax return information may be disclosed to Deloitte Tax affiliates, related entities (or other affiliates) or subcontractors located outside of the United States.

FEES AND EXPENSES

The Deloitte Tax fees for Services are based on the amount of professional time required and the following hourly rates, which vary depending upon the experience level of the professionals involved, plus reasonable out-of-pocket expenses and an allocation of estimated administrative and technology costs incurred (e.g., tax technology, research materials, etc.):

	<u>Local</u>	<u>National Tax and Bankruptcy Specialists</u>
Partner, Principal or Director	\$640	\$730
Senior Manager	\$565	\$590
Manager	\$490	\$515
Senior	\$365	\$390
Staff	\$280	\$305

In the normal course of business, Deloitte Tax revises its hourly rates to reflect changes in responsibilities, increased experience, geographical differentials and increased costs of doing business. Changes in the foregoing billing hourly rates must be approved in advance by Client and then noted on the invoices for the first time period in which the revised rates become effective.

The reasonable out-of-pocket expenses, including travel (with air travel based on coach fares), report production, delivery services and other expenses incurred in providing the Services and allocated costs, are reflected as additional amounts on the bills.

In addition, in connection with the engagement Deloitte Tax will be entitled to compensation for any time and actual reasonable out-of-pocket expenses including, without limitation, reasonable legal fees and expenses that may be incurred in considering or responding to discovery requests or other requests for documents or information, or in participating as a witness or otherwise in any legal, regulatory, or other proceedings relating to the Client, including, without limitation, those relating to Client but arising other than as a result of or in connection with this agreement.

Client agrees that Client will promptly seek the Bankruptcy Court's approval of this agreement. The application, proposed order and other supporting documents (collectively, the "Application") submitted to the Bankruptcy Court seeking its approval of this engagement must be satisfactory to Deloitte Tax in all material aspects. In addition to Deloitte Tax's other rights or remedies hereunder, Deloitte Tax may, in its sole discretion and without any liability arising there from, terminate this engagement in the event that (a) a third party objects or threatens to object, or Deloitte tax reasonably believes that a third party may object, in the form of an objection or otherwise, to Deloitte Tax's retention by Client in the case on the

terms and conditions set forth in this Engagement Letter, (b) a final order authorizing the employment of Deloitte Tax is not issued by the Bankruptcy Court on or before sixty (60) days from December 1, 2010 on the terms and conditions set forth herein, or on such other terms and conditions as are satisfactory to Deloitte Tax, or (c) the Application is denied by the Bankruptcy Court. In such event, Client hereby agrees to withdraw or amend, promptly upon Deloitte Tax's request, any Application filed or to be filed with the Bankruptcy Court to retain Deloitte Tax's services in the bankruptcy proceeding.

For purposes of this Engagement Letter, together with the General Business Terms and Appendix A attached hereto, "Bankruptcy Court" shall mean the United States Bankruptcy Court for the Southern District of New York.

ACCEPTANCE

This Engagement Letter together with the General Business Terms and Appendix A attached hereto, constitutes the entire agreement between Client and Deloitte Tax with respect to this engagement, supersedes all other oral and written representations, understandings or agreements relating to this engagement, and may not be amended except by the mutual written agreement of the Client and Deloitte Tax.

Please indicate your acceptance of this agreement by signing in the space provided below and returning a copy of this Engagement Letter to our office. Your signature constitutes Client's consent to disclosure and use of Client's tax return information in the manner described above. Your signature also constitutes acknowledgment of receipt of the attached Privacy Notice.

Thank you for providing Deloitte Tax the opportunity to serve you. If you have any questions regarding the Services described in this Engagement Letter, or any other advice that Deloitte Tax may provide to you, please feel free to contact me at (703) 251-3703.

Very truly yours,

AGREED AND ACCEPTED:

DELOITTE TAX LLP

TerreStar Corporation on behalf of itself and selected subsidiaries and affiliates described above

By:



Gregory R. Anderson
Tax Director

By:



Printed

Name: VINCENT LOIACONO

Title:

CFO

Date:

3/1/11

DELOITTE TAX LLP GENERAL BUSINESS TERMS

1. **Services.** It is understood and agreed that services (the "Services") provided by Deloitte Tax (as defined in paragraph 12 below) under the engagement letter to which these terms are attached (the "Engagement Letter") may include advice and recommendations, but all decisions in connection with the implementation of such advice and recommendations shall be the responsibility of, and made by, the Client. For purposes of these terms and the Engagement Letter, the "Client" shall mean TerreStar Corporation and selected subsidiaries and affiliates, namely TerreStar New York Inc, Motient Communications Inc, Motient Holdings Inc, Motient License Inc, Motient Services Inc, Motient Ventures Holding Inc, MVH Holding Inc. TerreStar Corporation represents and warrants that it has the power and authority to execute the Engagement Letter on behalf of, and to bind, itself and its subsidiaries and/or its affiliates, as listed herein.

2. **Payment of Invoices.** Subject to any applicable Bankruptcy Court orders, rules or procedures, Deloitte Tax's invoices are due within thirty (30) days of the invoice date. The Client shall be responsible for all taxes imposed on the Services or on the transaction, other than Deloitte Tax's income taxes imposed on a net basis or by employment withholding, and other than taxes imposed on Deloitte Tax's property.

3. **Term.** Unless terminated sooner in accordance with its terms, this engagement shall terminate on the completion of the Services. This engagement may be terminated by either party at any time, with or without cause, by giving written notice to the other party not less than thirty (30) days before the effective date of termination; provided that, in the event of a termination for cause, the breaching party shall have the right to cure the breach within the notice period. Deloitte Tax may terminate this engagement upon written notice to the Client if Deloitte Tax determines that (a) a governmental, regulatory or professional entity (including, without limitation, the American Institute of Certified Public Accountants, the Public Company Accounting Oversight Board (the "PCAOB") or the Securities and Exchange Commission) or an entity having the force of law has introduced a new, or modified an existing, law, rule, regulation, interpretation or decision, the result of which would render Deloitte Tax's performance of any part of the engagement illegal or otherwise unlawful or in conflict with independence or professional rules, or (b) circumstances change (including, without limitation, changes in ownership of the Client or any of its affiliates) such that Deloitte Tax's performance of any part of the engagement would be illegal or otherwise unlawful or in conflict with independence or professional rules. Upon termination of the engagement, the Client will compensate Deloitte Tax under the terms of the Engagement Letter for the Services performed and expenses incurred through the effective date of termination.

4. **Ownership of Deloitte Tax Property.** To the extent that Deloitte Tax utilizes any of its property (whether tangible or intangible) in connection with this engagement, such property shall remain the property of Deloitte Tax, and the Client shall not acquire any right or interest in such property. Deloitte Tax shall have ownership (including, without limitation, copyright ownership) and all rights to use and disclose its ideas, concepts, know-how, methods, techniques, processes and skills, and adaptations thereof in conducting its business, and the Client shall not assert or cause to be asserted against Deloitte Tax or its personnel any prohibition or restraint from so doing. In the course of performing the Services, Deloitte Tax may provide to Client, solely for its convenience, spread sheets, models or other software tools. Such items are provided to the Client in "as is" condition without warranty of any kind and Deloitte Tax assumes no responsibility for results obtained by anyone other than Deloitte Tax from the use of such items.

5. **Limitation on Warranties.** **THIS IS A SERVICES ENGAGEMENT. DELOITTE TAX WARRANTS THAT IT SHALL PERFORM THE SERVICES IN GOOD FAITH AND WITH DUE PROFESSIONAL CARE. DELOITTE TAX DISCLAIMS ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE CLIENT'S EXCLUSIVE REMEDY FOR ANY BREACH OF THIS WARRANTY SHALL BE FOR DELOITTE TAX, UPON RECEIPT OF WRITTEN NOTICE, TO USE DILIGENT EFFORTS TO CURE SUCH BREACH, OR, FAILING ANY CURE IN A REASONABLE PERIOD OF TIME, THE RETURN OF PROFESSIONAL FEES PAID TO DELOITTE TAX HEREUNDER WITH RESPECT TO THE SERVICES GIVING RISE TO SUCH BREACH.**

6. **Limitation on Damages.** The Client agrees that Deloitte Tax, its subcontractors and their respective personnel shall not be liable to the Client for any claims, liabilities or expenses relating to this engagement ("Claims") for an aggregate amount in excess of the fees paid by the Client to Deloitte Tax pursuant to this engagement, except to the extent finally judicially determined to have resulted primarily from the gross negligence, bad faith or intentional misconduct of Deloitte Tax or its subcontractors. In circumstances where all or any portion of the provisions of this paragraph are finally judicially determined to be unavailable, the aggregate liability of Deloitte Tax, its subcontractors and their respective personnel for any Claim shall not exceed an amount which is proportional to the relative fault that their conduct bears to all other conduct giving rise to such Claim.

7. **Client Responsibilities.** The Client shall cooperate with Deloitte Tax in the performance by Deloitte Tax of the Services, including, without limitation, providing Deloitte Tax with reasonable facilities and timely access to data, information and personnel of the Client. The Client shall be responsible for the performance of its personnel and agents and for the accuracy and completeness of all data and information provided to Deloitte Tax for purposes of the performance by Deloitte Tax of the Services. The Client acknowledges and agrees that Deloitte Tax's performance is dependent upon the timely and effective satisfaction of the Client's responsibilities hereunder and timely decisions and approvals of the Client in connection with the Services. Deloitte Tax shall be entitled to rely on all decisions and approvals of the Client. The Client shall be solely responsible for, among other things: (a) making all management decisions and performing all management functions; (b) designating an individual who possesses suitable skill, knowledge, and/or experience, preferably within senior management, to oversee the Services; (c) evaluating the adequacy and results of the Services performed; (d) accepting responsibility for the results of the Services; and (e) establishing and maintaining internal controls, including, without limitation, monitoring ongoing activities.

8. **Force Majeure.** Except for the payment of money, neither party shall be liable for any delays or nonperformance directly or indirectly resulting from circumstances or causes beyond its reasonable control, including, without limitation, acts or omissions or the failure to cooperate by the other party (including, without limitation, entities or individuals under its control or any of their respective officers, directors, employees, other personnel and agents), acts or omissions or the failure to cooperate by any third party, fire, epidemic or other casualty, act of God, strike or labor dispute, war or other violence or any law, order or requirement of any governmental agency or authority.

9. **Limitation on Actions.** No action, regardless of form, relating to this engagement, may be brought by either party more than one year after the cause of action has accrued, except that an action for nonpayment may be brought by a party not later than one year following the date of the last payment due to the party bringing such action.

10. **Independent Contractor.** Nothing contained in these terms shall alter in any way the duties imposed by law on Deloitte Tax in respect of the Services to be provided by Deloitte Tax under this engagement. It is understood and agreed that each party hereto is an independent contractor and that neither party is, nor shall be considered to be, the other's agent, distributor, partner, joint venturer, co-owner or representative. Neither party shall act or represent itself, directly or by implication, in any such capacity or in any manner assume or create any obligation on behalf of, or in the name of, the other.

11. **Confidentiality.** To the extent that, in connection with this engagement, Deloitte Tax comes into possession of any tax return information, trade secrets or other proprietary or confidential information of the Client, Deloitte Tax will not disclose such information to any third party without the Client's consent. The Client hereby consents to Deloitte Tax disclosing such information (a) to any affiliate or related entity (including its partners, principals and employees), or to other subcontractors, in each case, whether located within or outside of the United States, that are providing Services in connection with this engagement and that have agreed to be bound by confidentiality obligations similar to those in this paragraph 11; (b) as may be required by law, regulation, judicial or administrative process, or in accordance with applicable professional standards, or in connection with litigation pertaining hereto; or (c) to the extent such information (i) shall have otherwise become publicly available (including, without limitation, any information filed with any governmental agency and available to the public) other than as the result of a

disclosure by Deloitte Tax in breach hereof, (ii) becomes available to Deloitte Tax on a nonconfidential basis from a source other than the Client which Deloitte Tax believes is not prohibited from disclosing such information to Deloitte Tax by obligation to the Client, (iii) is known by Deloitte Tax prior to its receipt from the Client without any obligation of confidentiality with respect thereto, or (iv) is developed by Deloitte Tax independently of any disclosures made by the Client to Deloitte Tax of such information. In satisfying its obligations under this paragraph, Deloitte Tax shall maintain the Client's trade secrets and proprietary or confidential information in confidence using at least the same degree of care as it employs in maintaining in confidence its own trade secrets and proprietary or confidential information, but in no event less than a reasonable degree of care. Notwithstanding anything to the contrary herein, the Client acknowledges that Deloitte Tax, in connection with performing the Services, may develop or acquire experience, skills, knowledge, and ideas that are retained in the unaided memory of its personnel. The Client acknowledges and agrees that Deloitte Tax may use and disclose such experience, skills, knowledge and ideas.

12. Survival and Interpretation. The agreements and undertakings of the Client contained in the Engagement Letter, together with all paragraphs herein relating to payment of invoices, ownership of Deloitte Tax property, limitations on warranties, limitations on damages, limitations on actions, confidentiality, survival and interpretation, assignment and subcontracting, waiver of jury trial, indemnification, governing law, venue, jurisdiction and severability, information and data, and third parties and internal use shall survive the expiration or termination of this engagement. For purposes of these terms, Deloitte Tax shall mean Deloitte Tax LLP and Deloitte Tax Products Company LLC, one of its subsidiaries. The Client acknowledges and agrees that no affiliated or related entity of Deloitte Tax, whether or not acting as a subcontractor (or such entity's personnel) shall have any liability hereunder to the Client or any other person, and the Client will not bring any action against any such affiliated or related entity of Deloitte Tax (or such entity's personnel) in connection with this engagement. Without limiting the foregoing, affiliated and related entities of Deloitte Tax are intended third-party beneficiaries of these terms. Any affiliated or related entity of Deloitte Tax may in its own right enforce such terms, agreements and undertakings. **The provisions of paragraphs 5, 6, 9, 12, 14, 15, 16 and 18, hereof shall apply to the fullest extent of the law, whether in contract, statute, tort (such as *negligence*), or otherwise, notwithstanding the failure of the essential purpose of any remedy.**

13. Assignment and Subcontracting. Except as provided below, neither party may assign, transfer or delegate any of its rights or obligations hereunder (including, without limitation, interests or Claims) without the prior written consent of the other party. The Client hereby consents to Deloitte Tax assigning or subcontracting any of Deloitte Tax's rights or obligations hereunder to (a) any affiliate or related entity, whether located within or outside of the United States, or (b) any entity which acquires all or a substantial part of the assets or business of Deloitte Tax. Services performed by Deloitte Tax subcontractors shall be invoiced as professional fees on the same basis as Services performed by Deloitte Tax personnel, unless otherwise agreed.

14. Waiver of Jury Trial. DELOITTE TAX AND THE CLIENT HEREBY IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM RELATING TO THIS ENGAGEMENT.

15. Indemnification. The Client shall indemnify and hold harmless Deloitte Tax, its subcontractors and their respective personnel from all Claims, except to the extent finally judicially determined to have resulted primarily from the gross negligence, bad faith or intentional misconduct of Deloitte Tax or its subcontractors. In circumstances where all or any portion of the provisions of this paragraph are finally determined to be unavailable, the aggregate liability of Deloitte Tax, its subcontractors and their respective personnel for any Claim shall not exceed an amount which is proportional to the relative fault that their conduct bears to all other conduct giving rise to such Claim.

16. Governing Law, Venue, Jurisdiction and Severability. These terms, the Engagement Letter, including exhibits, and all matters relating to this engagement shall be governed by, and construed in accordance with, the laws of the State of New York (without giving effect to the choice of law principles thereof) except to the extent governed by the bankruptcy laws of the United States. If any provision of such terms or the Engagement Letter is found by a court of competent jurisdiction to be unenforceable, such

provision shall not affect the other provisions, but such unenforceable provision shall be deemed modified to the extent necessary to render it enforceable, preserving to the fullest extent permissible the intent of the parties set forth herein.

17. Information and Data. Deloitte Tax shall be entitled to assume, without independent verification, the accuracy of all representations, assumptions, information and data that the Client and its representatives provide to Deloitte Tax. All assumptions, representations, information and data to be supplied by the Client and its representatives will be complete and accurate to the best of the Client's knowledge. Deloitte Tax may use information and data furnished by others; however, Deloitte Tax shall not be responsible for, and Deloitte Tax shall provide no assurance regarding, the accuracy of any such information or data. Except as specifically agreed to in writing, Deloitte Tax shall not provide advice regarding the financial accounting treatment of any transaction implemented from the Services and will not assume any responsibility for any financial reporting with respect to the Services. The Client shall be responsible for all financial information and statements provided by or on behalf of the Client with respect to any of the Services. Deloitte Tax shall have no responsibility to address any legal matters or questions of law, other than tax law.

18. Third Parties and Internal Use. Deloitte Tax acknowledges that Deloitte Tax has not placed any limitations on the Client's disclosure of the tax treatment or tax structure associated with the tax Services or transactions described in the Engagement Letter. Nothing in this paragraph shall be construed as limiting or restricting disclosure of the tax treatment or tax structure of the transaction as described in Rule 3501(c)(i) of PCAOB Release 2005-014 or Internal Revenue Code ("IRC") sections 6011 and 6111 and related Internal Revenue Service ("IRS") guidance. The Client acknowledges that none of its other advisors have imposed or will impose any conditions of confidentiality with respect to the tax treatment or tax structure associated with the tax Services or transactions described in the Engagement Letter. All Services shall be solely for the Client's informational purposes and internal use, and this engagement does not create privity between Deloitte Tax and any person or party other than the Client ("third party"). This engagement is not intended for the express or implied benefit of any third party. Unless otherwise agreed to in writing by Deloitte Tax, no third party is entitled to rely, in any manner or for any purpose, on the advice, opinions, reports or other Services of Deloitte Tax. In the event of any unauthorized reliance, the Client agrees to indemnify and hold harmless Deloitte Tax and its personnel from all third-party claims, liabilities, costs and expenses.

19. Certain Tax Disclosures and Reporting. In accordance with IRC sections 6111 and 6112, Deloitte Tax may be required to report to the IRS or certain state tax authorities the Services including without limitation any related tax transaction(s) described in the Engagement Letter as well as the Client's participation therein. In addition, separate and apart from any reporting by Deloitte Tax, the Client, in accordance with IRC section 6011, may also be required to disclose to a taxing authority its participation in one or more transactions which are the subject of this Engagement Letter. The determination of whether, when and to what extent Deloitte Tax and the Client should comply with their respective federal or state "tax shelter" reporting requirements will be made exclusively and respectively by Deloitte Tax and the Client. Deloitte Tax and the Client further agree that (i) any liability for fines or penalties or any other consequences resulting from non-compliance by one party with applicable tax disclosure or reporting rules will be borne or incurred exclusively by the non-compliant party, and (ii) any request by the Client of Deloitte Tax for services in identifying or otherwise consulting on transactions subject to IRC section 6011 or corresponding state law and the reporting or disclosing thereof will be the subject of a separate engagement letter.

20. Accountant / Client Privilege – IRC §7525. The Client should be aware that certain information discussed with personnel of Deloitte Tax who are Federally Authorized Tax Practitioners or their agents for the purpose of obtaining Deloitte Tax's advice on tax matters may be privileged from disclosure in any non-criminal tax matters before the IRS and in non-criminal proceedings in Federal court that stem from matters before the IRS, if the United States is a party to the proceedings. The Client is solely responsible for managing the recognition, establishment and maintenance of the confidentiality privilege. The Client must notify Deloitte Tax if the Client wishes to invoke the confidentiality privilege, and Deloitte Tax will cooperate with the Client's reasonable instructions relating to the confidentiality privilege. Circumstances may arise under which the Client may wish to divulge or have Deloitte Tax divulge privileged information to other parties. The Client should be aware that such disclosure might result in a waiver of the confidentiality privilege. Accordingly, if the Client wishes Deloitte Tax to divulge such information, Deloitte Tax shall require the Client to provide Deloitte Tax in advance with written authority to make such disclosures. In addition, if it is ultimately determined that a significant purpose of the tax matter was to

avoid or evade any U.S. federal income tax, the Client should be aware that the confidentiality privilege under §7525 of the Internal Revenue Code will not apply to any communications between the Client and Deloitte Tax.

In the event that Deloitte Tax receives a request from a third party (including a subpoena, summons or discovery demand in litigation) calling for the production of privileged information, Deloitte Tax will promptly notify the Client and will follow the Client's reasonable instructions regarding any third party requests or needs for such material before Deloitte Tax would disclose same as may be required under applicable law or rules. The Client agrees to hold Deloitte Tax harmless from, and also assumes responsibility for, any expenses (including attorney's fees, court costs, costs incurred by outside advisors and any other cost imposed whether by way of penalty or otherwise) incurred by Deloitte Tax as a result of the Client's assertion of the confidentiality privilege or the Client's direction to Deloitte Tax to assert the confidentiality privilege on behalf of the Client.

Deloitte Tax Privacy Notice

Introduction

This privacy notice applies to clients who obtain services from Deloitte Tax. Deloitte Tax refers to Deloitte Tax LLP as defined in paragraph 12 of the General Business Terms.

Information Collection

Deloitte Tax may collect personally identifiable information ("PII") from you such as:

- Home address
- Home telephone number
- Date of birth
- Government identifiers (such as social security number)

In connection with our client acceptance process, Deloitte Tax may collect PII about you that may be considered sensitive. This could include, for example, history of any criminal activity.

Deloitte Tax may also collect PII about you from, among other places:

- Information you provide directly to us
- Information regarding the services that Deloitte Tax provides or has previously provided to you
- Information Deloitte Tax receives from our affiliated entities or third parties relating to the establishment of our relationship or the provision of services to you

This information can be received in any manner, including in in-person discussions, telephone conversations, and electronic or other written communications.

Information Use

Deloitte Tax collects PII about you to:

- Establish or maintain our relationship with you
- Provide you with services you have requested
- Keep you informed of services we think may be of interest to you

Without PII, Deloitte Tax may be unable to provide you with the services you have requested.

Disclosure of Information

Deloitte Tax may share PII about you with others as permitted by contractual agreement or as required by law, such as:

- Our affiliates
- Third parties in connection with the provision of services to you
- Government entities and regulatory bodies
- Those with whom you have requested us to share information

Deloitte Tax requires third parties who perform services for us to agree to treat PII about you confidentially and securely.

Unless restricted by law, regulation, contract or professional standards, Deloitte Tax may transfer PII about you outside the United States to other countries for the purposes described in this privacy notice.

Deloitte Tax will provide notice and obtain your consent before:

- Sharing PII about you with an unaffiliated third party who is not performing services for us, except if such sharing is otherwise permitted by this privacy notice, or
- Using sensitive PII about you for purposes not described in this privacy notice

Deloitte Tax does not sell or lease PII about you to others.

Access

You may request access to the PII that Deloitte Tax has about you. You may also request the correction, amendment or deletion of PII about you that is inaccurate. Deloitte Tax will treat requests for access, correction, amendment or deletion of PII about you in accordance with its internal policies and applicable legal requirements.

Information Security

Deloitte Tax maintains reasonable physical, administrative and technical safeguards to protect PII from loss, misuse, or unauthorized access, disclosure, alteration or destruction. Our personnel and the personnel of our affiliates are provided access to PII about you only if they have a need to know the information in connection with a legitimate business purpose, such as (i) the provision of services to you or (ii) to help identify other services that Deloitte Tax and its affiliates offer that may be of interest or use to you.

Changes to This Privacy Notice

Deloitte Tax reserves the right to change this privacy notice. Deloitte Tax will provide you with a revised privacy notice that reflects such changes as required by law.

Questions

If you have any questions or concerns regarding this notice, please contact your engagement partner/principal/director.

EXHIBIT D

Unpublished Authorities

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

In re:	)	Chapter 11
NEFF CORP., <u>et al.</u> , ¹	)	Case No. 10-12610 (SCC)
	)	Jointly Administered
Debtors.)	

**ORDER AUTHORIZING THE EMPLOYMENT AND
RETENTION OF DELOITTE & TOUCHE LLP AS
INDEPENDENT AUDITORS TO THE DEBTORS AND DEBTORS
IN POSSESSION EFFECTIVE *NUNC PRO TUNC* TO THE PETITION DATE**

Upon the application (the "Application") of the above-captioned debtors and debtors in possession (collectively, the "Debtors"), for entry of an order (this "Order"), authorizing the Debtors to employ and retain Deloitte & Touche LLP ("Deloitte & Touche") as their independent auditors effective *nunc pro tunc* to the Petition Date;² and upon the Berger Declaration; and the Court having jurisdiction to consider the Application and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and consideration of the Application and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and venue being proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that the relief requested in the Application is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and the Debtors having provided adequate and appropriate notice of the

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Neff Holdings LLC (0571); Neff Corp. (6400); Neff Finance Corp. (3639); Neff Holdings Corp. (0431); Neff Rental, Inc. (0403); and Neff Rental LLC (3649). The location of the Debtors' corporate headquarters and the service address for all the Debtors except Neff Holdings LLC is: 3750 N.W. 87th Ave., Suite 400, Miami, Florida 33178. The service address for Neff Holdings LLC is: 375 Park Avenue, New York, New York 10152.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Application.

Application under the circumstances; and after due deliberation and sufficient cause appearing therefore, it is HEREBY ORDERED THAT:

1. The Application is approved and granted to the extent provided herein.

2. The Debtors are authorized pursuant to section 327 of the Bankruptcy Code, Bankruptcy Rules 2014(a) and 2016(a), and Local Bankruptcy Rules 2014-1 and 2016-1 to employ and retain Deloitte & Touche as their independent auditors in accordance with the terms and conditions set forth in the Application and in the Deloitte & Touche Engagement Letter attached hereto as **Exhibit I** as modified herein, effective *nunc pro tunc* to the Petition Date.

3. Deloitte & Touche shall file interim and final fee applications for the allowance of compensation for services rendered and reimbursement of expenses incurred in accordance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, the U.S. Trustee Guidelines, and any applicable orders of the Court.

4. If at any time Deloitte & Touche increases rates for its services, Deloitte & Touche will cause a notice to be filed with the Court setting forth the increase in such rates and serve such notice upon the U.S. Trustee, the Debtors, and any official committee.

5. Notwithstanding anything in the Deloitte & Touche Engagement Letter to the contrary, Deloitte & Touche will not assign or subcontract any of its rights and obligations without a separate order of the Court provided, that this shall not preclude Deloitte & Touche from utilizing personnel associated with the entities referenced in paragraph 19 of the Berger Declaration from performing tasks incidental to the services included in the Application.

6. Notwithstanding anything in the Deloitte & Touche Engagement Letter to the contrary, Deloitte & Touche shall apply any remaining amounts of its prepetition retainer as a

credit toward postpetition fees and expenses, after such postpetition fees and expenses are approved pursuant to the first interim order of the Court awarding fees and expenses.

7. To the extent this Order is inconsistent with the terms of the Application or the Deloitte & Touche Engagement Letter, the terms of this Order shall govern.

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

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

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

New York, New York
Date: June 30, 2010

/s/Shelley C. Chapman
Honorable Shelley C. Chapman

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

In re:	)	Chapter 11
)	
CITADEL BROADCASTING CORPORATION, <i>et al.</i>,	)	Case No. 09-17442 (BRL)
)	
Debtors.	)	Jointly Administered

**ORDER AUTHORIZING AND APPROVING THE RETENTION OF
DELOITTE & TOUCHE LLP AND DELOITTE TAX LLP RESPECTIVELY
AS AUDITORS AND ACCOUNTING SERVICES PROVIDER AND
TAX ADVISORS TO THE DEBTORS *NUNC PRO TUNC* TO THE PETITION DATE**

Upon the application (the “*Application*”)¹ of Citadel Broadcasting Corporation (“*Citadel*”) and its debtor affiliates, as debtors and debtors in possession (collectively, the “*Debtors*”),² for entry of an order pursuant to sections 327(a) and 328(a) of the Bankruptcy Code, Bankruptcy Rules 2014(a) and 2016 and Local Rules 2014-1 and 2016-1 authorizing the retention of Deloitte & Touche LLP (“*Deloitte & Touche*”) as their independent auditors and accounting services provider and Deloitte Tax LLP (“*Deloitte Tax*”) as their tax advisors *nunc pro tunc* to the Petition Date; and the Court having jurisdiction to consider the Application and

¹ Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Application.

² The Debtors in these chapter 11 cases are: Alphabet Acquisition Corporation; Atlanta Radio, LLC; Aviation I, LLC; Chicago FM Radio Assets, LLC; Chicago License, LLC; Chicago Radio Assets, LLC; Chicago Radio Holding, LLC; Chicago Radio, LLC; Citadel Broadcasting Company; Citadel Broadcasting Corporation; DC Radio Assets, LLC; DC Radio, LLC; Detroit Radio, LLC; iBiquity Digital Corporation; International Radio, Inc.; KBAP-KSCS Radio Group, Ltd.; KLOS Radio, LLC; KLOS Syndications Assets, LLC; KLOS-FM Radio Assets, LLC; LA License, LLC; LA Radio, LLC; Minneapolis Radio Assets LLC; Minneapolis Radio LLC; Network Licenses, LLC; NY License, LLC; NY Radio Assets LLC; NY Radio, LLC; Oklahoma Radio Partners, LLC; Radio Assets, LLC; Radio License Holding I, LLC; Radio License Holding II, LLC; Radio License Holding III, LLC; Radio License Holding IV, LLC; Radio License Holding V, LLC; Radio License Holding VI, LLC; Radio License Holding VII, LLC; Radio License Holding VIII, LLC; Radio License Holding IX, LLC; Radio License Holding X, LLC; Radio License Holding XI, LLC; Radio License Holding XII, LLC; Radio Networks, LLC; Radio Watermark, Inc.; REACH Media Inc.; San Francisco Radio Assets, LLC; Inc.; San Francisco Radio, LLC; SF License, LLC; WBAP-KSCS Acquisition Partner, LLC; WBAP-KSCS Assets, LLC; WBAP-KSCS Radio Acquisition, LLC; and WPLJ Radio, LLC. The principal corporate locations of the Debtors are: 142 West 57th Street, 11th Floor, New York, New York 10019; and 7201 W. Lake Mead Blvd., Suite 400, Las Vegas, Nevada 89128. The service address for all of the Debtors is 7201 W. Lake Mead Blvd., Suite 400, Las Vegas, Nevada 89128.

the relief requested therein in accordance with 28 U.S.C §§ 157 and 1334 and the Standing Order M-61, Referring Bankruptcy Judge for the Southern District of New York and Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.); and consideration of the Application and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Application being adequate and appropriate under the particular circumstances; and the Court having reviewed the Application and the Declaration of John Ruddell (the "*Ruddell Declaration*") and the Declaration of Gregory Wichmann (the "*Wichmann Declaration*"), copies of which are attached as **Exhibit B** to the Application, both in support thereof; and a hearing having been held to consider the relief requested in the Application (the "*Hearing*"); and upon the record of the Hearing and all proceedings had before the Court; and the Court having found and determined that the relief sought in the Application is in the best interests of the Debtors' estates, their creditors and other parties in interest and that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and any objections to the requested relief having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED:

1. The Application is approved to the extent provided herein.

2. In accordance with sections 327(a) and 328(a) of the Bankruptcy Code, Bankruptcy Rule 2014, and Local Rule 2014, the Debtors are authorized to employ and retain Deloitte & Touche as their independent auditors and accounting services provider and Deloitte Tax as their tax advisors, each *nunc pro tunc* to the Petition Date, on the terms set forth in the Application and the Engagement Letters, as modified by this Order.

3. To the extent that the terms of the Engagement Letters conflict with this Order, this Order shall govern.

4. Deloitte & Touche and Deloitte Tax represent no interest adverse to the Debtors' estates with respect to the matters upon which they are to be engaged, and they are disinterested persons as that term is defined under section 101(14) of the Bankruptcy Code.

5. The Debtors, Deloitte & Touche and Deloitte Tax are authorized to take all actions necessary to effectuate the relief granted pursuant to this order in accordance with the Application.

6. Deloitte & Touche and Deloitte Tax shall be compensated in accordance with sections 330 and 331 of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, this Order and any other applicable orders of this Court without regard to whether Deloitte & Touche and Deloitte Tax have been retained under sections 327 and 328(a) of the Bankruptcy Code.

7. Paragraph 6 of Appendix F of the Deloitte & Touche Engagement Letter is hereby deemed deleted and replaced with the following:

Any Dispute (as defined below) arising out of or relating to services performed under this engagement letter prior to the effective date of (a) a plan of reorganization of the Company or (b) a court order dismissing the Company's chapter 11 case or cases (the "Effective Date") shall be brought in the Bankruptcy Court (or the District Court (as defined below), if such District Court withdraws the reference to the Bankruptcy Court). All other Disputes, including, without limitation, Disputes arising out of or relating to services performed after the Effective Date and Disputes over which the Bankruptcy Court (or the District Court) does not have, retain or exercise jurisdiction, shall be resolved by mediation or binding arbitration as set forth in the Dispute Resolution Provision attached hereto as Appendix G and made a part hereof (the "Dispute Resolution Provision"). The parties each hereby irrevocably waive, to the fullest extent permitted by law, all rights to trial by jury in any Dispute. Except (i) with respect to the interpretation and enforcement of the arbitration procedures set forth in the Dispute Resolution Provision (which shall be governed by the Federal Arbitration Act) and (ii) to the extent matters are governed by the bankruptcy laws of the United States, the laws of the State of New York

(without giving effect to its choice of law principles) shall apply in arbitration or any other forum in connection with any Dispute. Damages that are punitive or exemplary in nature, or that are not based on a party's actual damages, shall be unavailable in arbitration or any other forum (and the parties expressly waive their right to receive such damages). The foregoing shall be binding upon the parties and any and all of their respective permitted successors and assigns. This paragraph and the Dispute Resolution Provision shall apply to the fullest extent of the law, whether in contract, statute, tort (such as negligence), or otherwise.

For purposes of the foregoing, (a) "Dispute" shall mean any controversy or claim between the parties arising out of or relating to the Engagement letter, including its appendices, or this engagement; (b) "Bankruptcy Court" shall mean the United States Bankruptcy Court for the Southern District of New York; and (c) "District Court" shall mean the United States District Court of which the Bankruptcy Court constitutes a unit.

8. Appendix G of the Deloitte & Touche Engagement Letter is deemed deleted and replaced with the following:

This Dispute Resolution Provision sets forth the dispute resolution process and procedures applicable to the resolution of Disputes.

All Disputes shall be first submitted to nonbinding confidential mediation by written notice to the parties, and shall be treated as compromise and settlement negotiations under the standards set forth in the Federal Rules of Evidence and all applicable state counterparts, together with any applicable statutes protecting the confidentiality of mediations or settlement discussions. If the parties, after good faith efforts, cannot agree on a mediator after five (5) business days of delivery of the written notice, the International Institute for Conflict Prevention and Resolution ("CPR"), at the written request of a party, shall designate a mediator.

If a Dispute has not been resolved within 90 days after the effective date of the written notice beginning the mediation process (or such longer period, if the parties so agree in writing), the mediation shall terminate and the Dispute shall be settled by binding arbitration to be held in New York, New York. The arbitration shall be solely between the parties and shall be conducted in accordance with the CPR Rules for Non-Administered Arbitration that are in effect at the time of the commencement of the arbitration, except to the extent modified by this Dispute Resolution Provision (the "Rules").

The arbitration shall be conducted before a panel of three arbitrators. Each of the Company and Deloitte & Touche LLP shall designate one arbitrator in accordance with the "screened" appointment procedure

provided in the Rules and the two party-designated arbitrators shall jointly select the third in accordance with the Rules. No arbitrator may serve on the panel unless he or she has agreed in writing to enforce the terms of the engagement letter (including its appendices) to which this Dispute Resolution Provision is attached and to abide by the terms of this Dispute Resolution Provision. The arbitrators may render a summary disposition relative to all or some of the issues, provided that the responding party has had an adequate opportunity to respond to any such application for such disposition. Discovery shall be conducted in accordance with the Rules.

All aspects of the arbitration shall be treated as confidential, as provided in the Rules. Before making any disclosure permitted by the Rules, a party shall give written notice to all other parties and afford such parties a reasonable opportunity to protect their interests. Further, judgment on the arbitrators' award may be entered in any court having jurisdiction.

Consistent with the Rules, including Rule 7 thereof, no mediator or arbitrator shall have represented, or been a partner, principal, director, officer, employee or agent of or for, either party, or be otherwise affiliated with or interested in either party.

Costs: Each party shall bear its own costs in both the mediation and the arbitration; however, the parties shall split equally the fees and expenses of both the mediators and the arbitrators.

9. The Court will hold a hearing on appropriate notice as may be requested by the U.S. Trustee or Deloitte Tax to consider Deloitte Tax's contractual right to indemnity under the applicable Engagement Letter.

10. In the event the Court finds that Deloitte Tax has a contractual right to indemnity, all requests of Deloitte Tax for payment of indemnity pursuant to the applicable Engagement Letter shall be made by means of an application (interim or final as the case may be) and shall be subject to review by the Court to ensure that payment of such indemnity conforms to the terms of the applicable Engagement Letter and is reasonable based upon the circumstances of the litigation or settlement in respect of which indemnity is sought, *provided, however*, that in no event shall Deloitte Tax be indemnified if the Debtor or a representative of the estate asserts a

claim for, and a court determines by final order that such claim arose out of, Deloitte Tax's own bad faith, self-dealing, breach of fiduciary duty (if any); gross negligence or willful misconduct.

11. Paragraph 6 of the General Business Terms of the applicable Deloitte Tax Engagement Letter is modified to include "gross negligence," prior to the words "bad faith" in the fifth line of such paragraph.

12. Nothing in the Engagement Letters shall alter in any way the duties imposed by law on Deloitte & Touche and Deloitte Tax in respect of the services provided to the Debtors under the Engagement Letters.

13. The terms and conditions of the Engagement Letters, including the indemnification obligations, are approved as modified by this Order.

14. To the extent the Debtors request additional services not covered under the Engagement Letters, Deloitte & Touche and/or Deloitte Tax and the Debtors may enter into additional engagement letters, as is necessary, and for disclosure purposes only will file such engagement letter(s) with the Court and serve such engagement letter(s) upon the applicable notice parties referenced in paragraph 25 of the Application. To the extent any of such parties object within ten days of such new engagement letter(s) being filed and served, the Debtors will promptly schedule a hearing before the Court. All additional services will be subject to the provisions of this Order.

15. Notice of the Application as provided therein shall be deemed good and sufficient notice of such Application and the requirements of Bankruptcy Rule 6004(a) and the Local Bankruptcy Rules are satisfied by such notice.

16. The requirement set forth in Rule 9013-1(b) of the Local Rules that any motion or other request for relief be accompanied by a memorandum of law is hereby deemed satisfied by the contents of the Application or otherwise waived.

17. During the pendency of the Chapter 11 Cases, this Court shall retain jurisdiction with respect to any matters, claims, rights or disputes arising from or related to the implementation, interpretation and/or enforcement of this Order.

Dated: New York, New York
March 1, 2010

/s/Burton R. Lifland

The Honorable Burton R. Lifland
United States Bankruptcy Judge

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

In re:)	
	)	Chapter 11
CHEMTURA CORPORATION, <i>et al.</i>,	)	Case No. 09-11233 (REG)
)	
Debtors.	)	Jointly Administered
)	

**ORDER AUTHORIZING THE EMPLOYMENT AND
RETENTION OF DELOITTE TAX LLP AS TAX SERVICES
PROVIDER FOR THE DEBTORS AND DEBTORS
IN POSSESSION *NUNC PRO TUNC* TO THE PETITION DATE**

Upon the application (the “Application”) of the above-captioned debtors in possession (collectively, the “Debtors”) for entry of an order authorizing the Debtors to employ and retain Deloitte Tax LLP (“Deloitte Tax”) as their tax services provider effective as of the date the Debtors filed their chapter 11 petitions, pursuant to sections 327(a) and 330 of the Bankruptcy Code, Bankruptcy Rules 2014(a) and 2016 and Rules 2014-1 of the Local Bankruptcy Rules for the Southern District of New York (the “Local Rules”); and the Court having jurisdiction to consider the Application and the relief requested therein pursuant to 28 U.S.C. § 157(b) and 1334; and consideration of the Application and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and Court having reviewed the Application and the Declaration of Rick Oricchio, a partner of Deloitte Tax (the “Oricchio Declaration”); and it appearing that relief requested is in the best interests of the Debtors’ estates, their creditors and other parties in interest; and the Court being satisfied that (a) Deloitte Tax neither holds nor represents any interest adverse to the Debtors’ estates, and (b) Deloitte Tax is a “disinterested person” as that term is defined in section 101(14) of the Bankruptcy Code and as required by section 327(a) of

the Bankruptcy Code; and notice of the Application appearing to be adequate and appropriate under the circumstances; and any objections to the requested relief having been withdrawn or overruled on the merits; and after due deliberation and sufficient cause appearing therefor, it is ORDERED that:

1. The Application is granted to the extent set forth herein, *nunc pro tunc* to March 18, 2009.

2. The Debtors are authorized to employ and retain Deloitte Tax as tax advisor in accordance with the terms and conditions of those certain engagement letters dated as of April 9, 2009 and annexed hereto as Exhibit 1 (the "Engagement Letters").

3. Deloitte Tax is authorized to render professional services to the Debtors as described in the Engagement Letters.

4. Deloitte Tax shall apply for compensation for professional services rendered and reimbursement of expenses incurred in connection with the Debtors' chapter 11 cases in compliance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, guidelines established by the Office of the United States Trustee for the Southern District of New York and any other applicable procedures and orders of the Court.

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

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: May 15, 2009

S/ Robert E. Gerber
United States Bankruptcy Judge