

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of
Hughes Network Systems, Limited,
and Hughes Network Systems, Inc.
Assignors,
and
HNS License Sub, Limited
and HNS License Sub, LLC
Assignees
Applications for Consent for Assignment
of Earth Station Licenses and Associated
Special Temporary Authorizations

File Nos. SES-ASG-20041223-01892
SES-ASG-20041223-01893
SES-ASG-20041223-01882

ORDER

Adopted: May 18, 2005

Released: May 18, 2005

By the Chief, International Bureau:

I. INTRODUCTION

1. In this Order, we clarify a number of aspects of the transactions we authorized in the Hughes/Skyterra Assignment Order.1 None of these clarifications affect our April 18, 2005 decision to grant the three assignment applications at issue.

II. BACKGROUND

2. In the Hughes/Skyterra Assignment Order, the International Bureau (Bureau) granted three applications to subsidiaries of Hughes Network Systems, Inc. (HNS, Inc.) to assign certain earth station licenses and associated Special Temporary Authorizations (STAs) to new HNS subsidiaries that are also owned in part by SkyTerra Communications, Inc. (SkyTerra). In that Order, the Bureau discussed in detail the transaction proposed in one of the assignment applications, and stated that the transactions proposed in the other two assignment applications were similar to the transaction proposed in the first application.2 In fact, there were important differences in each of the transactions. In this Order, we explain all three transactions in detail.

1 Hughes Network Systems, Limited, Assignor, and HNS License Sub, LLC, Assignee, Consolidated Application for Consent for Assignment of Earth Station Licenses and Associated Special Temporary Authorizations, Order and Authorization, DA 05-1098 (Int'l Bur., released Apr. 18, 2005) (Hughes/Skyterra Assignment Order).

2 Hughes/Skyterra Assignment Order at n.1.

**III. DISCUSSION**

3. HNS, Inc.<sup>3</sup> is the parent company of two corporations, Hughes Network Systems Europe Limited (HNS Europe), and Hughes Network Systems, LLC (HNS LLC).<sup>4</sup> HNS Europe is the parent company of Hughes Network Systems Ltd. (HNS, Ltd.).<sup>5</sup> HNS LLC is the indirect parent company of Hughes Network Systems (UK) Limited, (HNS (UK) Limited), which in turn is the parent company of HNS License Sub, Limited.<sup>6</sup> HNS License Sub, Limited is incorporated in England.<sup>7</sup> In addition, HNS LLC is the parent company of a different subsidiary, HNS License Sub, LLC.<sup>8</sup> HNS License Sub LLC is incorporated in Delaware.<sup>9</sup>

4. In granting File No. SES-ASG-20041223-01892 (the 1892 Application), we clarify that the Bureau authorized HNS Ltd., an English company, to assign the earth station licenses and STAs listed in Appendix A to HNS License Sub, Limited, the English subsidiary.<sup>10</sup> In granting File No. SES-ASG-20041223-01893 (the 1893 Application) and File No. SES-ASG-20041223-01882 (the 1882 Application), we clarify that the Bureau authorized HNS Inc. to assign the earth station licenses, STAs, and modification applications listed in Appendix B to HNS License Sub, LLC, the Delaware subsidiary.<sup>11</sup>

5. In addition to these license assignments, SkyTerra Communications, Inc. (SkyTerra) obtained 50 percent ownership in HNS LLC, the parent company of HNS License Sub, LLC, the Delaware subsidiary, and the indirect parent of HNS License Sub, Limited, the English subsidiary.<sup>12</sup> As a result, HNS Inc. now owns 50 percent of HNS LLC, and SkyTerra owns the remaining 50 percent.<sup>13</sup> We approved this transaction in the *Hughes/Skyterra Assignment Order*, and nothing in this Order clarifying the assignors provides any basis for revisiting that decision.

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<sup>3</sup> HNS, Inc. is also a subsidiary of the DIRECTV Group, Inc., which in turn is a subsidiary of News Corporation. Letter from John Janka, Counsel for Hughes Network Systems Ltd. and HNS License Sub Ltd. (dated Feb. 24, 2005) (*February 24 Letter*).

<sup>4</sup> *February 24 Letter* at Exh. 1.

<sup>5</sup> *February 24 Letter* at Exh. 1.

<sup>6</sup> *February 24 Letter* at Exh. 1.

<sup>7</sup> 1892 Application, Exh. E at 1.

<sup>8</sup> 1893 Application, Exh. B at 1; 1882 Application, Exh. B at 1.

<sup>9</sup> 1893 Application, Exh. E at 1; 1882 Application, Exh. E at 1.

<sup>10</sup> *See* 1892 Application, Form 312, Question A9 and A15.

<sup>11</sup> *See* 1893 Application, Form 312, Question A9 and A15; 1882 Application, Form 312, Question A9 and A15.

<sup>12</sup> *Hughes/Skyterra Assignment Order* at para. 2.

<sup>13</sup> In the *Hughes/Skyterra Assignment Order*, the Bureau mistakenly stated that HNS Ltd. rather than HNS Inc. holds 50 percent ownership of HNS LLC. We correct that error in this Order.

**IV. ORDERING CLAUSES**

6. Accordingly, IT IS ORDERED, pursuant to Sections 25.119 and 0.261 of the Commission's rules, 47 C.F.R. §§ 25.119, 0.261, that the *Hughes/Skyterra Assignment Order*, IS CLARIFIED as set forth above.

FEDERAL COMMUNICATIONS COMMISSION

Donald Abelson  
Chief, International Bureau

APPENDIX A

**Earth Station Licenses and STAs That Were  
Assigned Pursuant to SES-ASG-20041223-01892  
in the *Hughes/Skyterra Assignment Order***

Earth Station Licenses

1. E020208
2. E020205
3. E020195
4. E000362
5. E040382
6. E020207
7. E040436
8. E010187
9. E020206

STAs

1. SES-STA-20040929-01472 (E040382)
2. SES-STA-20041112-01676 (E040436)

APPENDIX B

**Earth Station Licenses and STAs That Were  
Assigned Pursuant to SES-ASG-20041223-01892 and  
SES-ASG-20041223-01882 in the Hughes/Skyterra Assignment Order**

**A. SES-ASG-20041223-01892**

Earth Station Licenses

1. E990170
2. E030008
3. E030007
4. E940460
5. E000166

STAs

1. SES-STA-20040728-01126 (E000166)
2. SES-STA-20040728-01123 (E940460)
3. SES-STA-20041001-01482 (E940460)
4. SES-STA-20040728-01125 (E990170)
5. SES-STA-20041117-01710 (E000166)
6. SES-STA-20050223-00216 (E940460)
7. SES-STA-20050224-00224 (E940460)

Related Modification Applications

1. SES-MOD-20040930-01478 (E000166)
2. SES-MOD-20040930-01476 (E940460)
3. SES-MOD-20050222-00214 (E940460)

**B. SES-ASG-20041223-01892**

STAs

1. SES-STA-20040803-01089
2. SES-STA-20050203-00134