

December 4, 2002

Mr. Max-Henri Cadet
Manager, GMPCS-MoU Project
Legal Affairs Unit
International Telecommunications Union
Place des Nations
CH-1211 Geneva 20
Switzerland

Subject: GMPCS Terminal Manufacturers Status Report

Dear Mr. Cadet:

It is my pleasure to respond to your letter requesting a status report concerning Hughes Network Systems as a GMPCS terminal manufacturer. Please find the requested status update in the following text.

Current Status of Company

Hughes Electronics is composed of DIRECTV U.S., DIRECTV Latin America, Hughes Network Systems and PanAmSat. Collectively, these operations represent a dominant global presence in the delivery of information services, with a preponderance of those services being delivered via satellite. Hughes Network Systems is a leading supplier of equipment for enterprise and residential satellite broadband content delivery, direct broadcast satellite television and mobile satellite voice and data services.

Services Provided

Hughes Network Systems continues to be active in the manufacture of GMPCS terminals. The HNS-7100, an advanced voice, data, fax and messaging dual mode (GSM/GMPCS) handheld terminal supplied to the Thuraya Satellite Telecommunications Company, has experienced excellent success in the marketplace. Seamlessly blending the unmatched strengths of the terrestrial GSM cellular network with the advantages of satellite network access, this compact and feature-rich handset provides end users with a high value communications solution. Registered under the GMPCS MoU Arrangements, this product continues to benefit from being able to display the GMPCS Registry Mark.

The most recent GMPCS terminal from Hughes Network Systems is the Model 9101 Regional BGAN Satellite IP Modem developed for Inmarsat. This data terminal breaks new ground in reduced size, weight and cost, while providing the end user with up to 144kbps of packet data connectivity. Using standard interfaces such as ethernet, USB and Bluetooth, the terminal easily delivers internet content to the end user with the wide area coverage only a satellite system can deliver. The terminal completed Notification of Implementation of GMPCS MoU Arrangements in September of this year.

Participation in the GMPCS-MoU Framework

Hughes Network Systems considers the GMPCS-MoU Terminal Registry process an intrinsic part of GMPCS terminal development. The Notification of Implementation provides a key enabler whereby Administrations, System Operators and Terminal Manufacturers can all remain in concert regarding the introduction of new GMPCS equipment and services. Hughes Network Systems reaffirms its continued support of the GMPCS-MoU Group.

Future Projects

Hughes Network Systems intends to continue its leading role as a provider of GMPCS terminals to the global marketplace. Several new GMPCS projects are ongoing at Hughes Network Systems and the company looks forward to promoting and supporting the future growth of the industry.

Best regards,

A handwritten signature in black ink, appearing to read 'G. Avis', written in a cursive style.

Graham Avis
Vice President
Hughes Network Systems