

**CHARTER OF
THE AUDIT COMMITTEE OF
THE BOARD OF DIRECTORS OF
ECHOSTAR HOLDING CORPORATION**

The Board of Directors (the "Board of Directors") of EchoStar Holding Corporation (the "Corporation") hereby establishes an audit committee (the "Audit Committee"), as a standing committee of the Board of Directors, which shall have the responsibilities described below and shall use the means described below to carry out such responsibilities.

Statement of Policy

Primary responsibility for the Corporation's financial reporting and internal controls is vested in the management of the Corporation, as overseen by the Board of Directors. The Audit Committee shall provide assistance to the Board of Directors in fulfilling their responsibility to the shareholders, potential shareholders and the investing community relating to corporate accounting, reporting practices, and the quality and integrity of the financial reports of the Corporation. In so doing, it is the responsibility of the Audit Committee to maintain free and open means of communication between the Board of Directors, the independent auditors, the internal auditors and the financial management of the Corporation. The Audit Committee shall provide oversight and review of the Corporation's accounting and financial services, internal operating controls and its ethical standards in consultation with the independent auditors and the General Counsel of the Corporation.

The Audit Committee shall be the Board of Directors' principal agent in ensuring the independence of the independent auditors, the integrity of management, and the adequacy of disclosures to shareholders. In performing its designated functions, described herein, the Audit Committee shall not assume or diminish management's responsibility for the content of the information disseminated by the Corporation.

Composition of the Audit Committee

The Audit Committee shall be comprised of at least three directors determined by the Board of Directors to meet the independence and financial literacy requirements of The NASDAQ Stock Market ("NASDAQ") and applicable federal law, including Section 10A(m)(3) of the Securities Exchange Act of 1934 and the rules and regulations of the Securities and Exchange Commission.

Access, Authority and Funding

The Audit Committee shall have unrestricted access to the Corporation's personnel and records and to the independent auditors and shall have authority to engage independent counsel and other advisers, as it determines necessary to carry out its duties.

The Corporation shall provide the Audit Committee with the appropriate funding, as determined by the Audit Committee, in its capacity as a committee of the Board of Directors, for payment of (i) compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation, (ii) compensation to any advisers or counsel employed by the Audit Committee and (iii) ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

Meetings

The Audit Committee shall meet on a regular basis, but no less than four (4) times per year, and call special meetings, as required. The Audit Committee should meet separately at least semi-annually with management, the head of the internal auditing department and the independent auditors to discuss any matters that the Audit Committee or any of these persons or firms believe should be discussed privately. The Audit Committee may request any officer or employee of the Corporation or the Corporation's outside counsel or independent auditors to meet with any members of, or consultants to, the Audit Committee. Members of the Audit Committee may

participate in a meeting of the Audit Committee by means of conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other.

The members of the Audit Committee shall elect a Chairman to preside at all meetings of the Audit Committee. As necessary or desirable, the Chairman of the Audit Committee may request that members and representatives of the independent auditors, management or others be present at a meeting of the Audit Committee and provide pertinent information as necessary.

Minutes

Minutes of each meeting of the Audit Committee are to be prepared and approved by the Audit Committee. Such minutes shall be filed with the Secretary of the Corporation and retained in the minute book of the Board of Directors.

General Policies and Procedures

In carrying out its responsibilities, the Audit Committee's policies and procedures will remain flexible, to best react to changing conditions and to ensure to the Board of Directors and shareholders that the corporate accounting and reporting practices of the Corporation are in accordance with all requirements and are of the highest quality.

Regular Functions

A. Selection of Independent Auditors.

The Audit Committee in its capacity as a committee of the Board of Directors, shall be directly responsible for the appointment, compensation, retention and oversight of the work of any registered public accounting firm engaged (including resolution of disagreements between management and the auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation, and each such registered public accounting firm must report directly to the Audit Committee. In undertaking these obligations, the Audit Committee shall review with the Chief Financial Officer of the Corporation and approve the engagement of the independent auditors for each audit and for non-audit services requested, including the fee, scope and timing of the audit or non-audit services requested, the nature and magnitude of the services actually performed compared to earlier approvals for the procedure (if applicable), the range and proportion of audit and non-audit fees and the effect of any engagement on the independence of the auditors.

The Audit Committee shall be responsible for ensuring that it receives from the independent auditors a formal written statement delineating all relationships between the independent auditors and the Corporation, consistent with Independence Standards Board Standards No. 1, "Independence Discussions with Audit Committees" and the Audit Committee shall further be responsible for actively engaging in a dialogue with the independent auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditors and for taking, or recommending that the full Board of Directors of the Corporation take, appropriate action to oversee the independence of the independent auditor. The audit committee shall be responsible for confirming and assuring the objectivity of the internal auditor.

The independent auditors are ultimately accountable to the Audit Committee, and the Audit Committee shall have the ultimate authority and responsibility to recommend the nomination of the independent auditors by the Board of Directors for shareholder approval in any proxy statement.

The Audit Committee shall consult with the independent auditors to assure the rotation of audit partners as required by law.

B. Selection of Internal Auditor

The Audit Committee shall have the following duties and powers with respect to the internal auditing department:

- (a) to review and approve the appointment and replacement of the head of the internal auditing department, and
- (b) to advise the head of the internal auditing department that he or she is expected to provide to the Audit Committee summaries of and, as appropriate, the significant reports to management prepared by the internal auditing department and management's responses thereto.
- (c) to recommend and approve the compensation plan for the head of internal audit in consultation with management.

C. *Financial Reporting Issues and Practices and Internal Audit Controls and Procedures*

The Audit Committee shall have the duty and power to advise management, the internal auditing department and the independent auditors that they are expected to provide to the Audit Committee a timely analysis of significant financial reporting issues and practices and significant internal audit controls and procedures.

D. *Review of Annual Audit Plan.*

The Audit Committee shall review and approve the annual audit plan submitted by the independent auditors. The Audit Committee shall discuss with the independent auditors the overall approach to and scope of the audit examination with particular attention focused on those areas where either the Audit Committee, the Board of Directors, management or the independent auditors believe special emphasis is desirable.

E. *Review Results of the Annual Audit.*

Upon completion of any audit and periodically throughout each fiscal year as requested by the independent auditors or management or as deemed advisable by the Audit Committee, the Audit Committee shall review and discuss the audited financial statements, the results of the audit and the independent auditors' report or opinion on matters related to the performance of such audit.

The following illustrates, but is not an exhaustive list of, the topics which may be discussed with the independent auditors and management:

- (a) the quality of the financial statements,
- (b) any significant auditor or management adjustments, reclassifications, disclosures, accounting estimates, new or changed accounting policies or principles and disagreements with management,
- (c) the reasons for major fluctuations in financial statement balances (current year compared to prior years),
- (d) the clarity and adequacy of the Corporation's financial disclosures,
- (e) the quality and degree of aggressiveness or conservatism of accounting policies and principles, underlying estimates and other significant decisions made in preparing financial disclosures,
- (f) unusual circumstances or situations reflected in the financial statements, including identification of any loss or marginal operation,
- (g) the nature of any unusual or significant commitments or contingent liabilities, together with the underlying assumptions and estimates of management,
- (h) significant differences in format or disclosure from others in the industry,
- (i) significant differences between the annual report and other reports, such as the reports to any regulatory agencies,

- (j) the independent auditors' observations on internal accounting controls presented in the management letter,
- (k) the adequacy of the Corporation's system of internal accounting controls,
- (l) any change in key personnel, operations or systems which may affect the continuing functioning and effectiveness of the Corporation's accounting and operating controls,
- (m) the performance of the independent auditors, and
- (n) to the extent not otherwise covered above, the matters required by Statement on Auditing Standards No. 61, "Communication with Audit Committees."

F. *Review of Other Quarterly and Annual Reports.*

The Audit Committee shall review any other financial statements or reports, as requested by management or determined by the Audit Committee, which are required to be filed with any Federal, State or local regulatory agency prior to filing with the appropriate regulatory body, and the Corporation shall promptly provide the members of the Audit Committee with final copies of all such reports after filing with the appropriate regulatory body. As a part of such review, the following illustrates, but is not an exhaustive list of, the topics which may be covered:

- (a) the accounting principles employed in reporting any large or unusual transactions and the possible need to make specific disclosures of material developments,
- (b) developments in accounting policies and procedures since the previous filing of such financial statement or report and the effect of these developments may have on the Corporation's financial reporting, and
- (c) significant fluctuations in financial statement balances, ratios or statistics.

G. *Review Charter.*

The Audit Committee Shall review and reassess the adequacy of this Charter on an annual basis.

H. *Reports to Board of Directors*

The Audit Committee shall report its activities to the full Board of Directors on a regular basis, making such recommendations the Audit Committee deems necessary or appropriate.

I. *Other Oversight Functions.*

The Audit Committee shall perform such other oversight functions as requested by the Board of Directors. In addition, the Audit Committee is authorized to and shall have the power to perform the following functions:

- (a) conduct or authorize investigations into any matters within the Audit Committee's scope of responsibilities. The Audit Committee shall be empowered to retain independent counsel and other professionals to assist in the conduct of any investigation after consultation with the General Counsel of the Corporation;
- (b) review legal and regulatory matters that may have a material impact on the financial statements, related company compliance polices, and programs and reports received from regulators;
- (c) establish procedures for the (i) receipt, retention, and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters and (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

- (d) discuss Corporation policies with respect to risk assessment and risk management, and review contingent liabilities and risks that may be material to the Corporation; and
- (f) prepare a report each year for inclusion in the Corporation's proxy statement.

Exculpatory Provision

The Audit Committee is responsible for the duties set forth in this charter but is not responsible for either the preparation of the financial statements or the auditing of the financial statements. Management has the responsibility for preparing the financial statements and implementing internal controls and the independent auditors have the responsibility for auditing the financial statements and monitoring the effectiveness of the internal controls. The review of the financial statements by the Audit Committee is not of the same quality as the audit performed by the independent auditors.