UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(MARK ONE)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2002

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _______________ to ________________.

Commission File Number: 0-26176

ECHOSTAR COMMUNICATIONS CORPORATION
(Exact name of registrant as specified in its charter)

NEVADA	88-0336997
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

5701 S. SANTA FE DRIVE LITTLETON, COLORADO	80120
(Address of principal executive offices)	(Zip code)

(303) 723-1000
(Registrant's telephone number, including area code)

NOT APPLICABLE
(Former name, former address and former fiscal year, if changed since last report)

INDICATE BY CHECK MARK WHETHER THE REGISTRANT (1) HAS FILED ALL REPORTS REQUIRED TO BE FILED BY SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 DURING THE PRECEDING 12 MONTHS (OR FOR SUCH SHORTER PERIOD THAT THE REGISTRANT WAS REQUIRED TO FILE SUCH REPORTS), AND (2) HAS BEEN SUBJECT TO SUCH FILING REQUIREMENTS FOR THE PAST 90 DAYS. YES X NO ___

AS OF APRIL 29, 2002, THE REGISTRANT'S OUTSTANDING COMMON STOCK CONSISTED OF 241,642,584 SHARES OF CLASS A COMMON STOCK AND 238,435,208 SHARES OF CLASS B COMMON STOCK.

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PART II - OTHER INFORMATION

ECHOSTAR COMMUNICATIONS CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars in thousands)

	DECEMBER 31, 2001	MARCH 31, 2002 (Unaudited)
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 1,677,889	$ 2,319,439
Marketable investment securities	1,150,408	2,003,315
Trade accounts receivable, net of allowance for uncollectible accounts of $22,770 and $22,030, respectively	318,128	292,506
Insurance receivable	106,000	106,000
Inventories	190,747	178,153
Other current assets	68,795	77,700
Total current assets	3,511,967	4,977,113
Restricted cash	1,288	4,249
Cash reserved for satellite insurance (Note 6)	122,068	175,598
Property and equipment, net	1,904,012	1,949,197
FCC authorizations, net	696,409	696,409
Other noncurrent assets	283,942	224,303
Total assets	$ 6,519,686	$ 8,026,869
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Trade accounts payable	$ 254,868	$ 237,785
Deferred revenue	359,424	383,135
Accrued expenses	859,293	916,676
Current portion of long-term debt	14,782	14,725
Total current liabilities	1,488,367	1,552,321
Long-term obligations, net of current portion:		
9 1/4% Seven Year Notes	375,000	375,000
9 3/8% Ten Year Notes	1,625,000	1,625,000
10 3/8% Seven Year Notes	1,000,000	1,000,000
9 1/8% Seven Year Notes	700,000	700,000
4 7/8% Convertible Notes	1,000,000	1,000,000
5 3/4% Convertible Notes	1,000,000	1,000,000
Mortgages and other notes payable, net of current portion	6,480	21,295
Long-term deferred distribution and carriage revenue and other long-term liabilities	102,611	105,040
Total long-term obligations, net of current portion	5,809,091	5,826,335
Total liabilities	7,297,458	7,378,656
Commitments and Contingencies (Note 8)		
Series D Convertible Preferred Stock and contingent value rights (Note 3)	--	1,510,741
Stockholders' Deficit:		
Class A Common Stock, $.01 par value, 1,600,000,000 shares authorized, 241,015,004 and 241,398,381 shares issued and outstanding, respectively	2,410	2,414
Class B Common Stock, $.01 par value, 800,000,000 shares authorized, 238,435,208 shares issued and outstanding	2,384	2,384
Class C common Stock, $.01 par value, 800,000,000 shares authorized, none outstanding	--	--
Additional paid-in capital	1,709,797	1,740,041
Deferred stock-based compensation	(25,456)	(20,712)
Accumulated other comprehensive loss	3,594	(19,147)
Accumulated deficit		

(2,470,501) (2,567,508) ------------ ------------ Total stockholders' deficit .... (777,772) (862,528) ------------ ------------ Total liabilities and stockholders' deficit .... $ 6,519,686 $ 8,026,869 ============ ============

The accompanying notes are an integral part of the consolidated financial statements.

ECHOSTAR COMMUNICATIONS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

	THREE MONTHS ENDED MARCH 31,	
	2001	2002
REVENUE:		
DISH Network:		
Subscription television services	$ 794,448	$ 1,016,057
Other	2,483	2,827
Total DISH Network	796,931	1,018,884
DTH equipment sales	41,019	57,050
Other	23,980	28,534
Total revenue	861,930	1,104,468
COSTS AND EXPENSES:		
DISH Network Operating Expenses:		
Subscriber-related expenses	316,335	408,227
Customer service center and other	64,782	82,851
Satellite and transmission	9,095	13,178
Total DISH Network operating expenses	390,212	504,256
Cost of sales - DTH equipment	28,836	39,376
Cost of sales - other	15,929	16,201
Marketing:		
Subscriber promotion subsidies - cost of sales (exclusive of depreciation included below)	128,315	100,935
Subscriber promotion subsidies - other	144,916	133,370
Advertising and other	26,927	37,323
Total marketing expenses	300,158	271,628
General and administrative	75,672	94,525
Non-cash, stock-based compensation	7,456	1,666
Depreciation and amortization	58,850	81,537
Total costs and expenses	877,113	1,009,189
Operating income (loss)	(15,183)	95,279
Other Income (Expense):		
Interest income	24,564	29,803
Interest expense	(83,097)	(129,243)
Other	(96,102)	(34,222)
Total other income (expense)	(154,635)	(133,662)
Loss before income taxes	(169,818)	(38,383)
Income tax provision, net	(49)	(225)
Net loss	(169,867)	(38,608)
6 3/4% Series C Cumulative Convertible Preferred Stock dividends	(178)	--
Accretion of Series D Convertible Preferred Stock (Note 3)	--	(61,860)
Change in valuation of contingent value rights (Note 3)	--	3,461
Numerator for basic and diluted loss per share - loss attributable to common shareholders	$ (170,045)	$ (97,007)
Denominator for basic and diluted loss per share - weighted-average common shares outstanding	474,563	479,731
Net loss per common share:		
Basic and diluted net loss	$ (0.36)	$ (0.20)

The accompanying notes are an integral part of the
consolidated financial statements.

ECHOSTAR COMMUNICATIONS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

THREE MONTHS ENDED MARCH 31,	2001	2002
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (169,867)	$ (38,608)
Adjustments to reconcile net loss to net cash flows from operating activities:		
Equity in losses of affiliates	12,826	8,012
Realized and unrealized loss (gain) on investments	81,803	24,051
Deferred stock-based compensation recognized	7,456	1,666
Recognition of bridge commitment fees from reduction of bridge financing commitments (Note 7)	--	14,864
Depreciation and amortization	58,850	81,537
Amortization of debt discount and deferred financing costs	1,878	2,937
Change in long-term deferred distribution and carriage revenue and other long-term liabilities	19,645	2,429
Other, net	1,724	1,736
Changes in current assets and current liabilities, net	(34,638)	93,212
Net cash flows from operating activities	(20,323)	191,836
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of marketable investment securities	(706,698)	(1,383,379)
Sales of marketable investment securities	820,126	509,978
Purchases of property and equipment	(148,600)	(102,910)
Cash reserved for satellite insurance (Note 6)	--	(59,680)
Change in cash reserved for satellite insurance due to depreciation on related satellites (Note 6)	4,098	6,150
Capitalized merger-related costs	--	(5,448)
Other	(1,675)	(344)
Net cash flows from investing activities	(32,749)	(1,035,633)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds from issuance of Series D Convertible Preferred Stock	--	1,483,477
Repayments of mortgage indebtedness and notes payable	(3,984)	(242)
Net proceeds from Class A Common Stock options exercised and Class A Common Stock issued to Employee Stock Purchase Plan	1,497	2,189
Other	(178)	(77)
Net cash flows from financing activities	(2,665)	1,485,347
Net increase (decrease) in cash and cash equivalents	(55,737)	641,550
Cash and cash equivalents, beginning of period	856,818	1,677,889
Cash and cash equivalents, end of period	$ 801,081	$ 2,319,439
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
6 3/4% Series C Cumulative Convertible Preferred Stock dividends	$ 178	$ --
Conversion of 6 3/4% Series C Cumulative Convertible Preferred Stock to Class A common stock	989	--
Forfeitures of deferred non-cash, stock-based compensation	600	3,078
Capitalized interest	4,177	8,740
Satellite vendor financing	--	15,000

The accompanying notes are an integral part of the consolidated financial statements.

ECHOSTAR COMMUNICATIONS CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. ORGANIZATION AND BUSINESS ACTIVITIES

Principal Business

The operations of EchoStar Communications Corporation ("ECC," and together with its subsidiaries, or referring to particular subsidiaries in certain circumstances, "EchoStar" or the "Company") include two interrelated business units:

- o The DISH Network - a direct broadcast satellite ("DBS") subscription television service in the United States; and

- o EchoStar Technologies Corporation ("ETC") - engaged in the design, development, distribution and sale of DBS set-top boxes, antennae and other digital equipment for the DISH Network ("EchoStar receiver systems") and the design, development and distribution of similar equipment for international satellite service providers.

Since 1994, EchoStar has deployed substantial resources to develop the "EchoStar DBS System." The EchoStar DBS System consists of EchoStar's FCC-allocated DBS spectrum, seven DBS satellites ("EchoStar I" through "EchoStar VII"), EchoStar receiver systems, digital broadcast operations centers, customer service facilities, and other assets utilized in its operations. EchoStar's principal business strategy is to continue developing its subscription television service in the United States to provide consumers with a fully competitive alternative to cable television service.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles and with the instructions to Form 10-Q and Article 10 of Regulation S-X for interim financial information. Accordingly, these statements do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. All significant intercompany accounts and transactions have been eliminated in consolidation. Operating results for the three months ended March 31, 2002 are not necessarily indicative of the results that may be expected for the year ending December 31, 2002. For further information, refer to the consolidated financial statements and footnotes thereto included in EchoStar's Annual Report on Form 10-K for the year ended December 31, 2001 ("2001 10-K"). Certain prior year amounts have been reclassified to conform with the current year presentation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for each reporting period. Actual results could differ from those estimates.

Comprehensive Income (Loss)

The components of comprehensive loss, net of tax, are as follows (in thousands):

	THREE MONTHS ENDED MARCH 31,	
	2001	2002
	(Unaudited)	
Net loss	$ (169,867)	$ (38,608)
Unrealized holding losses on available-for-sale securities arising during period	(385)	(30,233)
Reclassification adjustment for impairment losses on available-for-sale securities included in net loss	32,403	7,492
Comprehensive loss	$ (137,849)	$ (61,349)

Accumulated other comprehensive income presented on the accompanying condensed consolidated balance sheets consists of the accumulated net unrealized gains (losses) on available-for-sale securities, net of deferred taxes.

Basic and Diluted Loss Per Share

Statement of Financial Accounting Standards No. 128, "Earnings Per Share" ("FAS No. 128") requires entities to present both basic earnings per share ("EPS") and diluted EPS. Basic EPS excludes dilution and is computed by dividing income (loss) available to common shareholders by the weighted-average number of common shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur if stock options or warrants were exercised or convertible securities were converted to common stock, resulting in the issuance of common stock that then would share in any earnings of the Company. We had net losses for the three months ending March 31, 2001 and 2002. Therefore, the effect of the common stock equivalents and convertible securities is excluded from the computation of diluted earnings (loss) per share since the effect is anti-dilutive.

As of March 31, 2001 and 2002, options to purchase a total of approximately 24,825,000 and 22,164,000 shares of Class A common stock were outstanding, respectively. As of March 31, 2002, the 4 7/8% Convertible Subordinated Notes and the 5 3/4% Convertible Subordinated Notes were convertible into approximately 22 million shares and approximately 23 million shares of Class A common stock, respectively. In addition, approximately 57.6 million shares of Class A common stock were issuable upon conversion of the Series D convertible preferred stock as of March 31, 2002.

New Accounting Pronouncements

In July 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets" ("FAS 142"), which requires goodwill and intangible assets with indefinite useful lives to no longer be amortized but to be tested for impairment at least annually. Intangible assets that have finite lives will continue to be amortized over their estimated useful lives. The amortization and non-amortization provisions of FAS 142 will be applied to all goodwill and intangible assets acquired after June 30, 2001. Effective January 1, 2002, EchoStar adopted the provisions of FAS 142 and ceased amortization of goodwill and intangible assets with indefinite lives, including FCC authorizations. As a result of the application of FAS 142, amortization expense of $19 million associated with goodwill and intangible assets with indefinite lives, including FCC authorizations, will not be charged to the statement of operations in 2002. In accordance with FAS 142, EchoStar has tested its intangible assets with indefinite lives, including FCC authorizations, for impairment as of the date of adoption and determined that there was no impairment.

3. VIVENDI UNIVERSAL

As previously disclosed in EchoStar's 2001 10-K, in connection with its purchase of Series D convertible preferred stock during January 2002, Vivendi Universal received contingent value rights. The maximum payment under the rights is $225 million if the Hughes merger is completed and the price of EchoStar's class A common stock is below $26.04 per share during a 20 trading day period preceding the three-year settlement date specified below, or $525 million if the Hughes merger is not completed and the price of EchoStar's class A common stock is below $26.04 per share during a 20 trading day period preceding the 30 month settlement date specified below. Any amount owing under these rights would be settled three years after completion of the Hughes merger, except in certain limited circumstances. In addition, if the Hughes merger is not consummated, these rights will be settled 30 months after the acquisition of Hughes' 81% interest in PanAmSat or the termination of the merger agreement and the PanAmSat stock purchase agreement. The contingent value rights, initially valued at approximately $30.7 million, were recorded as a charge to retained earnings as of the date of consummation of the investment on January 22, 2002. The contingent value rights are periodically adjusted to the current settlement amount, based on their current estimated fair value, through a charge or credit to retained earnings. For the three months ended March 31, 2002, EchoStar recorded a credit to retained earnings of approximately $3.5 million to reduce the carrying value of the contingent value rights to their current estimated fair value. The non-cash charges or credits to retained earnings related to adjustments to the contingent value rights are a component of EchoStar's net income (loss) available to common shareholders.

In addition, the conversion price for the Series D convertible preferred stock was set at $26.04 upon execution of the investment agreement on December 14, 2001. However, the investment was not consummated until January 22, 2002, when the price of EchoStar's class A common stock was $26.58. Since the price as of the date of consummation of the investment was above the set conversion price and since consummation of the investment was contingent on regulatory approval, the Series D preferred stock was deemed to be issued with a beneficial conversion feature. This feature required the difference between the conversion price and the price as of the date of consummation to be recorded as a discount on the Series D convertible preferred stock. The Series D convertible preferred stock was accreted to its conversion value through a charge to retained earnings equal to the discount of approximately $31.1 million as of the date of issuance since the Series D convertible preferred stock is immediately convertible at the holder's option.

The issuance costs of approximately $16.5 million related to the Series D convertible preferred stock were recorded as a discount on the Series D convertible preferred stock. However, since the Series D convertible preferred stock is redeemable at the holder's option upon a change of control, as defined in the related agreement, and the redemption price of the Series D convertible preferred stock exceeds the discounted carrying value, the discount would be charged to retained earnings to restore the Series D convertible preferred stock to its redemption value if redemption of the Series D convertible preferred stock became probable. As of March 31, 2002, redemption of the Series D convertible preferred stock is not probable and thus no charge to retained earnings is necessary.

4. MARKETABLE AND NON-MARKETABLE INVESTMENT SECURITIES

EchoStar currently classifies all marketable investment securities as available-for-sale. The fair market value of the majority of EchoStar's marketable investment securities approximates the carrying value and represents the quoted market prices at the balance sheet dates. However, for certain marketable securities, related unrealized gains and losses are reported as a separate component of stockholders' deficit, net of related deferred income taxes, if applicable. The specific identification method is used to determine cost in computing realized gains and losses. Such unrealized losses totaled approximately $19 million as of March 31, 2002.

In accordance with generally accepted accounting principles, declines in the fair market value of a marketable investment security which are estimated to be "other than temporary" must be recognized in the statement of operations, thus establishing a new cost basis for such investment. EchoStar evaluates its marketable investment securities portfolio on a quarterly basis to determine whether declines in the market value of these securities are other than temporary. This quarterly evaluation consists of reviewing, among other things, the fair value of our marketable

investment securities compared to the carrying value of these securities, the historical volatility of the price of each security and any market and company specific factors related to each security. Generally, absent specific factors to the contrary, declines in the fair value of investments below cost basis for a period of less than six months are considered to be temporary. Declines in the fair value of investments for a period of six to nine months are evaluated on a case by case basis to determine whether any company or market-specific factors exist which would indicate that such declines are other than temporary. Declines in the fair value of investments below cost basis for greater than nine months are considered other than temporary and are recorded as charges to earnings, absent specific factors to the contrary. As a result of EchoStar's quarterly evaluations, during the three months ended March 31, 2002 EchoStar recorded an aggregate charge to earnings for other than temporary declines in the fair market value of its marketable investment securities of approximately $7 million. This amount does not include realized gains of approximately $12 million on the sales of marketable investment securities. If the fair market value of EchoStar's marketable securities portfolio does not increase to cost basis or if EchoStar becomes aware of any market or company specific factors that indicate that the carrying value of certain of its securities is impaired, EchoStar may be required to record additional charges to earnings in future periods equal to the amount of the decline in fair value.

EchoStar also has made strategic equity investments in certain non-marketable investment securities which are not publicly traded. EchoStar's ability to create realizable value for its strategic investments in companies that are not public is dependent on the success of their business and ability to obtain sufficient capital to execute their business plans. Since private markets are not as liquid as public markets, there is also increased risk that EchoStar will not be able to sell these investments, or that when EchoStar desires to sell them that it will not be able to obtain full value for them. EchoStar has a strategic investment in StarBand Communications, Inc. StarBand has minimal cash on hand and has significant vendor and bank obligations. In addition, StarBand's ability to raise additional capital in the future is currently uncertain, and attempts to date have been unsuccessful. As a result of these and other factors, StarBand's independent public accountants have expressed uncertainty as to StarBand's ability to continue as a going concern in the 2001 StarBand audit opinion. Further, during April 2002, EchoStar changed its sales and marketing relationship with StarBand and ceased subsidizing StarBand equipment. StarBand is therefore currently responsible for any equipment subsidies to its subscribers, which increases its on-going cash requirements. As a result of these and other factors, during the quarter ended March 31, 2002, EchoStar recorded equity-method charges of approximately $8 million and an impairment charge of approximately $28 million to reduce the carrying value of its StarBand investment to zero.

5. INVENTORIES

Inventories consist of the following (in thousands):

	DECEMBER 31, 2001	MARCH 31, 2002
Finished goods - DBS	$ 127,186	$ 111,228
Raw materials	45,725	51,893
Finished goods - reconditioned and other	19,548	11,022
Work-in-process	7,924	7,126
Consignment	3,611	2,079
Reserve for excess and obsolete inventory	(13,247)	(5,195)
	$ 190,747	$ 178,153

6. PROPERTY AND EQUIPMENT

EchoStar III

During January 2002, a transponder pair on EchoStar III failed, resulting in a temporary interruption of service. The operation of the satellite was quickly restored. Including the five transponder pairs that malfunctioned in prior years, these anomalies have resulted in the failure of a total of twelve transponders on the satellite to date. While a maximum of 32 transponders can be operated at any time, the satellite was equipped with a total of 44 transponders to provide redundancy. EchoStar is only licensed by the FCC to operate 11 transponders at the 61.5 degree orbital location (together with an additional six leased transponders).

Satellite Insurance

As a result of the failure of EchoStar IV solar arrays to fully deploy and the failure of 30 transponders to date, a maximum of approximately 14 of the 44 transponders on EchoStar IV are available for use at this time. In addition to the transponder and solar array failures, EchoStar IV experienced anomalies affecting its thermal systems and propulsion system. There can be no assurance that further material degradation, or total loss of use, of EchoStar IV will not occur in the immediate future.

In September 1998, EchoStar filed a $219.3 million insurance claim for a constructive total loss under the launch insurance policies covering EchoStar IV. The satellite insurance consists of separate substantially identical policies with different carriers for varying amounts that, in combination, create a total insured amount of $219.3 million. EchoStar's insurance carriers offered EchoStar a total of approximately $88 million, or 40% of the total policy amount, in settlement of the EchoStar IV insurance claim. The insurers offered to pay only part of the $219.3 million claim because they allege we did not abide by the exact terms of the insurance policy. The insurers also assert that EchoStar IV was not a constructive total loss, as that term is defined in the policy. EchoStar strongly disagrees and filed an arbitration claim against the insurers for breach of contract, failure to pay a valid insurance claim and bad faith denial of a valid claim, among other things. There can be no assurance that EchoStar will receive the amount claimed or, if EchoStar does, that EchoStar will retain title to EchoStar IV with its reduced capacity. Based on the carriers' failure to pay the amount EchoStar believes is owed under the policy and their improper attempts to force EchoStar to settle for less than the full amount of its claim, EchoStar has added causes of action in its EchoStar IV demand for arbitration for breach of the duty of good faith and fair dealing, and unfair claim practices.

At the time EchoStar filed its claim in 1998, EchoStar recognized an impairment loss of $106 million to write-down the carrying value of the satellite and related costs, and simultaneously recorded an insurance claim receivable for the same amount. EchoStar will have to reduce the amount of the receivable if a final settlement is reached for less than this amount.

As a result of the thermal and propulsion system anomalies, EchoStar reduced the estimated remaining useful life of EchoStar IV to approximately 4 years during January 2000. EchoStar will continue to evaluate the performance of EchoStar IV and may modify its loss assessment as new events or circumstances develop.

The indentures related to certain of EchoStar DBS Corporation's ("EDBS") senior notes contain restrictive covenants that require EchoStar to maintain satellite insurance with respect to at least half of the satellites it owns or leases. In addition, the indenture related to EchoStar Broadband Corporation's ("EBC") senior notes requires EchoStar to maintain satellite insurance on the lesser of half of its satellites or three of its satellites. All of EchoStar's DBS satellites are owned by direct or indirect subsidiaries of EBC. During the three months ended March 31, 2002, EBC transferred ownership of EchoStar VII to EDBS, which increased EDBS' total satellite ownership to 7 satellites. Insurance coverage is therefore required for at least four of EchoStar's seven satellites currently in-orbit. The launch and/or in-orbit insurance policies for EchoStar I through EchoStar VII have expired. To date EchoStar has been unable to obtain insurance on any of these satellites on terms acceptable to EchoStar. As a result, EchoStar is currently self-insuring these satellites. To satisfy insurance covenants related to EDBS' and EBC's senior notes, EchoStar has

reclassified an amount equal to the depreciated cost of four of its satellites from cash and cash equivalents to cash reserved for satellite insurance on its balance sheet. As of March 31, 2002, cash reserved for satellite insurance totaled approximately $176 million. The reclassifications will continue until such time, if ever, as EchoStar can again insure its satellites on acceptable terms and for acceptable amounts.

7. BRIDGE FINANCING COMMITMENTS

As previously disclosed in EchoStar's 2001 10-K, EchoStar and Hughes obtained $5.525 billion in bridge financing commitments for the Hughes merger and related transactions. That commitment was reduced to $3.325 billion as a result of the sale of 9 1/8% Senior Notes due 2009 by EDBS on December 28, 2001 and the closing of the $1.5 billion Vivendi investment in EchoStar during January 2002. In consideration for the bridge financing commitments, EchoStar is obligated to the lenders for certain non-refundable fees whether or not the Hughes merger is consummated.

During the three months ended March 31, 2002, approximately $15 million of deferred commitment fees were expensed upon the closing of the $1.5 billion equity investment in EchoStar by Vivendi. As a result, approximately $33 million of deferred commitment fees remain as of March 31, 2002, which will be charged to interest expense as the bridge commitments are reduced. If the Hughes merger is not consummated, total remaining commitment fees will be written-off. In the event that the bridge commitment is drawn, any deferred commitment fees not previously expensed will be amortized to interest expense in future periods.

A fee of .50% per year on the aggregate bridge financing commitment outstanding is payable quarterly, in arrears, until the closing of the Hughes merger, or the termination or expiration of the agreements relating to the bridge commitments. These fees are expensed as incurred. During the quarter ended March 31, 2002, we expensed approximately $4 million for these fees.

8. COMMITMENTS AND CONTINGENCIES

WIC Premium Television Ltd.

During July 1998, a lawsuit was filed by WIC Premium Television Ltd., an Alberta corporation, in the Federal Court of Canada Trial Division, against General Instrument Corporation, HBO, Warner Communications, Inc., John Doe, Showtime, United States Satellite Broadcasting Company, Inc., EchoStar, and two of EchoStar's wholly-owned subsidiaries, Echosphere Corporation and Dish, Ltd. EchoStar Satellite Corporation, EchoStar DBS Corporation, EchoStar Technologies Corporation, and EchoStar Satellite Broadcast Corporation were subsequently added as defendants. The lawsuit seeks, among other things, interim and permanent injunctions prohibiting the defendants from activating receivers in Canada and from infringing any copyrights held by WIC.

During September 1998, WIC filed another lawsuit in the Court of Queen's Bench of Alberta Judicial District of Edmonton against certain defendants, including EchoStar. WIC is a company authorized to broadcast certain copyrighted work, such as movies and concerts, to residents of Canada. WIC alleges that the defendants engaged in, promoted, and/or allowed satellite dish equipment from the United States to be sold in Canada and to Canadian residents and that some of the defendants allowed and profited from Canadian residents purchasing and viewing subscription television programming that is only authorized for viewing in the United States. The lawsuit seeks, among other things, interim and permanent injunctions prohibiting the defendants from importing hardware into Canada and from activating receivers in Canada, together with damages in excess of $175 million.

The Court in the Alberta action denied EchoStar's Motion to Dismiss, and EchoStar's appeal of such decision. The Court in the Federal action has stayed that case pending the outcome of the Alberta action. The case is now in discovery. EchoStar intends to vigorously defend the suit. Recently, the Supreme Court of Canada ruled that the receipt in Canada of programming from U.S. pay television providers is prohibited. While EchoStar was not a party to that case, the ruling could adversely affect EchoStar's defense. It is too early to make an assessment of the probable outcome of the litigation or to determine the extent of any potential liability or damages.

Broadcast network programming

Until July 1998, EchoStar obtained distant broadcast network channels (ABC, NBC, CBS and FOX) for distribution to its customers through PrimeTime 24. In December 1998, the United States District Court for the Southern District of Florida entered a nationwide permanent injunction requiring PrimeTime 24 to shut off distant network channels to many of its customers, and henceforth to sell those channels to consumers in accordance with certain stipulations in the injunction.

In October 1998, EchoStar filed a declaratory judgment action against ABC, NBC, CBS and FOX in the U.S. District Court for the District of Colorado. EchoStar asked the court to enter a judgment declaring that its method of providing distant network programming did not violate the Satellite Home Viewer Act ("SHVA") and hence did not infringe the networks' copyrights. In November 1998, the networks and their affiliate groups filed a complaint against EchoStar in Miami Federal Court alleging, among other things, copyright infringement. The court combined the case that EchoStar filed in Colorado with the case in Miami and transferred it to the Miami court. The judge presiding over the matter recently died. As a result, the case was transferred to a judge in Fort Lauderdale, where the case remains pending. While the networks have not sought monetary damages, they have sought to recover attorney fees if they prevail.

In February 1999, the networks filed a "Motion for Temporary Restraining Order, Preliminary Injunction and Contempt Finding" against DirecTV, Inc. in Miami related to the delivery of distant network channels to DirecTV customers by satellite. DirecTV settled this lawsuit with the networks. Under the terms of the settlement between DirecTV and the networks, some DirecTV customers were scheduled to lose access to their satellite-provided distant network channels by July 31, 1999, while other DirecTV customers were to be disconnected by December 31, 1999. Subsequently, PrimeTime 24 and substantially all providers of satellite-delivered network programming other than EchoStar agreed to this cut-off schedule, although EchoStar does not know if they adhered to this schedule.

In December 1998, the networks filed a Motion for Preliminary Injunction against EchoStar in the Miami court, and asked the court to enjoin EchoStar from providing network programming except under limited circumstances. A preliminary injunction hearing was held on September 21, 1999. In March 2000, the networks filed an emergency motion again asking the court to issue an injunction requiring EchoStar to turn off network programming to certain of its customers. At that time, the networks also argued that EchoStar's compliance procedures violate the Satellite Home Viewer Improvement Act ("SHVIA"). EchoStar opposed the networks' motion and again asked the court to hear live testimony before ruling upon the networks' injunction request.

During September 2000, the Court granted the Networks' motion for preliminary injunction, denied the Network's emergency motion and denied EchoStar's request to present live testimony and evidence. The Court's original order required EchoStar to terminate network programming to certain subscribers "no later than February 15, 1999," and contained other dates with which it would have been physically impossible to comply. The order imposed restrictions on EchoStar's past and future sale of distant ABC, NBC, CBS and Fox channels similar to those imposed on PrimeTime 24 (and, EchoStar believes, on DirecTV and others). Some of those restrictions went beyond the statutory requirements imposed by the SHVA and the SHVIA.

On October 3, 2000, and again on October 25, 2000, the Court amended its original preliminary injunction order in an effort to fix some of the errors in the original order. The twice amended preliminary injunction order required EchoStar to shut off, by February 15, 2001, all subscribers who are ineligible to receive distant network programming under the court's order. EchoStar appealed the September 2000 preliminary injunction order and the October 3, 2000 amended preliminary injunction order. On November 22, 2000, the United States Court of Appeals for the Eleventh Circuit stayed the Florida Court's preliminary injunction order pending EchoStar's appeal. At that time, the Eleventh Circuit also expedited its consideration of EchoStar's appeal.

Oral argument before the Eleventh Circuit was held on May 24, 2001. On September 17, 2001, the Eleventh Circuit vacated the District Court's nationwide preliminary injunction, which the Eleventh Circuit had stayed in November 2000. The Eleventh Circuit also rejected EchoStar's First Amendment challenge to the SHVA. However, the Eleventh Circuit found that the District Court had made factual findings that were clearly erroneous and not supported by the evidence, and that the District Court had misinterpreted and misapplied the law. The Eleventh Circuit also found that the District Court came to the wrong legal conclusion concerning the grandfathering provision found in 17 U.S.C. Section 119(d); the Eleventh Circuit reversed the District Court's legal conclusion and instead found that this grandfathering provision allows subscribers who switch satellite carriers to continue to receive the distant network programming that they had been receiving. The Eleventh Circuit issued an order during January 2002, remanding the case to the Florida District Court. On March 26, 2002, the Florida District Court entered an order, set the trial in the matter for January 13, 2003 and also set a discovery and pretrial schedule. In this order, the District Court denied certain of EchoStar's outstanding motions to compel discovery as moot and granted the Networks' motion to compel. On April 17, 2002, the District Court denied the Networks' motion for preliminary injunction as moot.

On March 27, 2002, EchoStar, through Harvard Law Professor Lawrence Tribe, filed its Petition For A Writ Of Certiorari with the United States Supreme Court, challenging the constitutionality of the SHVA under the First Amendment. The Networks' response to the Certiorari Petition is due on May 3, 2002. There is no guarantee that the United States Supreme Court will grant EchoStar's Certiorari Petition or that if the Supreme Court grants EchoStar's Certiorari Petition, the Supreme Court will render a decision before the January 13, 2003, trial in the District Court. On March 26, 2002, the Florida District Court also denied EchoStar's request to stay the proceedings and any discovery pending the resolution of its constitutional challenge. However, the District Court stated that if the Supreme Court grants EchoStar's Certiorari Petition, EchoStar may renew its stay request. EchoStar intends to renew its stay request if the Supreme Court grants its Certiorari Petition.

In April, 2002, EchoStar reached a private settlement with ABC, Inc., one of the plaintiffs in the litigation. On April 4, 2002, EchoStar and ABC, Inc., filed a stipulation of dismissal. On April 16, 2002, the District Court entered an order dismissing the claims between ABC, Inc. and EchoStar.

If, after a trial, the District Court enters an injunction against EchoStar, the injunction could force EchoStar to terminate delivery of distant network channels to a substantial portion of its distant network subscriber base, which could also cause many of these subscribers to cancel their subscription to its other services. Management has determined that such terminations would result in a small reduction in EchoStar's reported average monthly revenue per subscriber and could result in a temporary increase in churn. If EchoStar loses the case at trial, the judge could, as one of many possible remedies, prohibit all future sales of distant network programming by EchoStar, which would have a material adverse affect on EchoStar's business.

Gemstar

During October 2000, Starsight Telecast, Inc., a subsidiary of Gemstar-TV Guide International, Inc., filed a suit for patent infringement against EchoStar and certain of its subsidiaries in the United States District Court for the Western District of North Carolina, Asheville Division. The suit alleges infringement of United States Patent No. 4,706,121 ("the `121 Patent") which relates to certain electronic program guide functions. EchoStar has examined this patent and believes that it is not infringed by any of its products or services. EchoStar will vigorously defend against this suit. On March 30, 2001, the court stayed this action pending resolution of the International Trade Commission matter discussed below.

In December 2000, EchoStar filed suit against Gemstar - TV Guide (and certain of its subsidiaries) in the United States District Court for the District of Colorado alleging violations by Gemstar of various federal and state

anti-trust laws and laws governing unfair competition. The lawsuit seeks an injunction and monetary damages. Gemstar filed counterclaims alleging infringement of United States Patent Nos. 5,923,362 and 5,684,525 that relate to certain electronic program guide functions. EchoStar examined these patents and believes they are not infringed by any of EchoStar's products or services. In August 2001, the Federal Multi-District Litigation panel combined this suit, for discovery purposes, with other lawsuits asserting antitrust claims against Gemstar, which had previously been filed by other plaintiffs. In January 2002, Gemstar dropped the counterclaims of patent infringement. On March 6, 2002, the Court denied Gemstar's Motion to Dismiss EchoStar's antitrust claims. Accordingly, Gemstar was required to file its formal answer, which it did on March 26, 2002. In its answer, Gemstar asserts new patent infringement counterclaims regarding U.S. Patent Nos. 4,908,713 and 5,915,068 (which is expired). These patents relate to onscreen programming of VCRs. EchoStar has examined these patents and believes that they are not infringed by any of its products or services.

In February 2001, Gemstar filed patent infringement actions against us in District Court in Atlanta, Georgia and in the International Trade Commission ("ITC"). These suits allege infringement of United States Patent Nos. 5,252,066, 5,479,268 and 5,809,204 all of which relate to certain electronic program guide functions. In addition, the ITC action alleges infringement of the `121 Patent which is asserted in the North Carolina case. In the Atlanta District Court case, Gemstar seeks damages and an injunction. The North Carolina and Atlanta cases have been stayed pending resolution of the ITC action. ITC actions typically proceed according to an expedited schedule. In December 2001, the ITC held a 15-day hearing before an administrative judge. Prior to the hearing, Gemstar dropped its allegations regarding Unites States Patent No. 5,252,066 with respect to which EchoStar had asserted substantial allegations of inequitable conduct. The hearing addressed, among other things, Gemstar's allegations of patent infringement and respondents' (EchoStar, SCI, Scientific Atlanta and Pioneer) allegations of patent misuse. A decision by the judge is expected by June 21, 2002 and a final ruling by the full ITC is expected on or about September 23, 2002. While the ITC cannot award damages, an adverse decision in this case could temporarily halt the import of EchoStar receivers and could require EchoStar to materially modify certain user-friendly electronic programming guides and related features EchoStar currently offers to consumers. EchoStar has examined the patents in dispute and believes they are not infringed by any of its products or services. EchoStar will continue to vigorously contest the ITC, North Carolina and Atlanta allegations of infringement and will, among other things, challenge both the validity and enforceability of the asserted patents. EchoStar is providing a defense and indemnification to SCI in the ITC and Atlanta cases pursuant to the terms of their contract.

During 2000, Superguide Corp. also filed suit against EchoStar, DirecTV and others in the United States District Court for the Western District of North Carolina, Asheville Division, alleging infringement of United States Patent Nos. 5,038,211, 5,293,357 and 4,751,578 which relate to certain electronic program guide functions, including the use of electronic program guides to control VCRs. Superguide seeks injunctive and declaratory relief and damages in an unspecified amount. It is EchoStar's understanding that these patents may be licensed by Superguide to Gemstar. Gemstar has been added as a party to this case and is now asserting these patents against EchoStar. EchoStar has examined these patents and believes that they are not infringed by any of its products or services. A Markman ruling was issued by the Court and in response to that ruling EchoStar has filed motions for summary judgment of non-infringement for each of the asserted patents. Gemstar has filed a motion for summary judgment of infringement with respect to the patents. Decisions on these outstanding summary judgement motions are expected during the summer of 2002. EchoStar will continue to vigorously defend this case and to press its patent misuse defenses against Gemstar.

In the event it is ultimately determined that EchoStar infringes on any of the aforementioned patents EchoStar may be subject to substantial damages, including the potential for treble damages, and/or an injunction that could require EchoStar to materially modify certain user friendly electronic programming guide and related features it currently offers to consumers. It is too early to make an assessment of the probable outcome of the suits.

IPPV Enterprises

IPPV Enterprises, LLC and MAAST, Inc. filed a patent infringement suit against EchoStar, and its conditional access vendor Nagra, in the United States District Court for the District of Delaware. The suit alleged infringement of five patents. One patent was subsequently dropped by plaintiffs. Three of the remaining patents disclose various systems for the implementation of features such as impulse-pay-per view, parental control and category lock-out. The fourth remaining patent relates to an encryption technique. The Court entered summary judgment in EchoStar's favor on the encryption patent. Plaintiffs had claimed $80 million in damages with respect to the encryption patent. On July 13, 2001, a jury found that the remaining three patents were infringed and awarded damages of $15 million. The jury also found that one of the patents was willfully infringed which means that the judge is entitled to increase the award of damages. On post-trial motions, the Judge reduced damages to $7.33 million, found that one of the infringed patents was invalid, and reversed the finding of willful infringement. In addition, the Judge denied IPPV's request for treble damages and attorney fees. EchoStar intends to file an appeal. Any final award of damages would be split between EchoStar and Nagra in percentages to be agreed upon between EchoStar and Nagra.

California Actions

A purported class action was filed against EchoStar in the California State Superior Court for Alameda County during May 2001 by Andrew A. Werby. The complaint, relating to late fees, alleges unlawful, unfair and fraudulent business practices in violation of California Business and Professions Code Section 17200 et seq., false and misleading advertising in violation of California Business and Professions Code Section 17500, and violation of the California Consumer Legal Remedies Act. On September 24, 2001, EchoStar filed an answer denying all material allegations of the Complaint. On September 27, 2001, the Court entered an Order Pursuant to Stipulation for a provisional certification of the class, for an orderly exchange of information and for mediation. The provisional Order specifies that the class shall be de-certified upon notice in the event mediation does not resolve the dispute. The matter is currently in mediation. It is too early in the litigation to make an assessment of the probable outcome of the litigation or to determine the extent of any potential liability or damages. EchoStar intends to deny all liability and to vigorously defend the lawsuit.

A purported class action relating to the use of terms such as "crystal clear digital video," "CD-quality audio," and "on-screen program guide", and with respect to the number of channels available in various programming packages, has also been filed against EchoStar in the California State Superior Court for Los Angeles County by David Pritikin and by Consumer Advocates, a nonprofit unincorporated association. The complaint alleges breach of express warranty and violation of the California Consumer Legal Remedies Act, Civil Code Sections 1750, et. seq., and the California Business & Professions Code Sections 17500, 17200. EchoStar has filed an answer AND the case is currently in discovery. Plaintiffs filed their Motion for Class Certification on January 21, 2002 and EchoStar has filed its opposition. The Court will conduct a hearing on class certification in early May 2002. It is too early in the litigation to make an assessment of the probable outcome of the litigation or to determine the extent of any potential liability or damages. EchoStar denies all liability and intends to vigorously defend the lawsuit.

Retailer Class Actions

EchoStar has been sued by retailers in three separate purported class actions. In two separate lawsuits filed in the District Court, Arapahoe County, State of Colorado and the United States District Court for the District of Colorado, respectively, Air Communication & Satellite, Inc. and John DeJong, et. al. filed lawsuits on October 6, 2000 on behalf of themselves and a class of persons similarly situated. The plaintiffs are attempting to certify

nationwide classes allegedly brought on behalf of persons, primarily retail dealers, who were alleged signatories to certain retailer agreements with EchoStar Satellite Corporation. The plaintiffs are requesting the Courts to declare certain provisions of the alleged agreements invalid and unenforceable, to declare that certain changes to the agreements are invalid and unenforceable, and to award damages for lost commissions and payments, charge backs, and other compensation. EchoStar intends to vigorously defend against the suits and to assert a variety of counterclaims. The trial court in the Arapahoe County court action entered an order prohibiting EchoStar from communicating with members of the putative class concerning the litigation. EchoStar petitioned the Supreme Court, and the Supreme Court of Colorado ruled that corrective notice must be sent to putative class members. It is too early to make an assessment of the probable outcome of the litigation or to determine the extent of any potential liability or damages. A class certification hearing for the Arapahoe County court action is scheduled for November 1, 2002.

Satellite Dealers Supply, Inc. filed a lawsuit in the United States District Court for the Eastern District of Texas on September 25, 2000, on behalf of itself and a class of persons similarly situated. The plaintiff is attempting to certify a nationwide class on behalf of sellers, installers, and servicers of satellite equipment who contract with EchoStar and claims the alleged class has been "subject to improper chargebacks." The plaintiff alleges that EchoStar: (1) charged back certain fees paid by members of the class to professional installers in violation of contractual terms; (2) manipulated the accounts of subscribers to deny payments to class members; and (3) misrepresented to class members who own certain equipment related to the provision of satellite television service. On September 18, 2001, the Court granted EchoStar's Motion to Dismiss for lack of personal jurisdiction. Plaintiff Satellite Dealers Supply has moved for reconsideration of the Court's order dismissing the case. It is too early to make an assessment of the probable outcome of the litigation or to determine the extent of any potential liability or damages.

PrimeTime 24 Joint Venture

PrimeTime 24 Joint Venture filed suit against EchoStar during September 1998 seeking damages in excess of $10 million and alleging breach of contract, wrongful termination of contract, interference with contractual relations, trademark infringement and unfair competition. EchoStar's motion for summary judgment was granted with respect to PrimeTime 24's claim of interference with contractual relations and unfair competition. Plaintiff's motion for summary judgment was granted with respect to its breach of contract claim for fees during the period from May 1998 through July 19, 1998. It is ultimately up to a jury to determine the amount of fees owed for this period. It is too early to make an assessment of the probable outcome of the remainder of the litigation or to determine the extent of any additional potential liability or damages.

EchoStar is subject to various other legal proceedings and claims which arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to those actions will not materially affect EchoStar's financial position or results of operations.

Meteoroid Events

Meteoroid events pose a potential threat to all in orbit geosynchronous satellites including EchoStar's DBS satellites. While the probability that EchoStar's satellites will be damaged by meteoroids is very small, that probability increases significantly when the Earth passes through the particulate stream left behind by various comets.

Occasionally, increased solar activity poses a potential threat to all in-orbit geosynchronous satellites including EchoStar's DBS satellites. The probability that the effects from this activity will damage our satellites or cause service interruptions is generally very small.

Some decommissioned spacecraft are in uncontrolled orbits which pass through the geostationary belt at various points, and present hazards to operational spacecraft including EchoStar's DBS satellites. The locations of these hazards are generally well known and may require EchoStar to perform maneuvers to avoid collisions.

9. SEGMENT REPORTING

Financial Data by Business Unit (in thousands)

Statement of Financial Accounting Standard No. 131, "Disclosures About Segments of an Enterprise and Related Information" ("FAS No. 131") establishes standards for reporting information about operating segments in annual financial statements of public business enterprises and requires that those enterprises report selected information about operating segments in interim financial reports issued to shareholders. Operating segments are components of an enterprise about which separate financial information is available and regularly evaluated by the chief operating decision maker(s) of an enterprise. Under this definition, we currently operate as two separate business units. Prior year amounts have been adjusted to conform to the current year presentation. The All Other column consists of revenue and expenses from other operating segments for which the disclosure requirements of FAS No. 131 do not apply.

	ECHOSTAR DISH NETWORK	ECHOSTAR TECHNOLOGIES CORPORATION	ALL OTHER	ELIMINATIONS	CONSOLIDATED TOTAL
THREE MONTHS ENDING MARCH 31, 2001					
Revenue	$ 817,990	$ 18,728	$ 25,876	$ (664)	$ 861,930
Net income (loss)	(166,550)	(7,788)	4,471	--	(169,867)
THREE MONTHS ENDING MARCH 31, 2002					
Revenue	$ 1,041,673	$ 33,713	$ 30,585	$ (1,503)	$ 1,104,468
Net income (loss)	(42,519)	(3,202)	7,113	--	(38,608)

10. SUBSEQUENT EVENTS

EchoStar VII

During April 2002, EchoStar VII, which launched successfully on February 21, 2002, from Cape Canaveral, Florida, reached its final orbital location at 119 degrees West Longitude and commenced commercial operation. To date, all systems on the satellite are operating normally.

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

We make "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 throughout this document. Whenever you read a statement that is not simply a statement of historical fact (such as when we describe what we "believe," "expect" or "anticipate" will occur, and other similar statements), you must remember that our expectations may not be correct, even though we believe they are reasonable. We do not guarantee that the transactions and events described in this document will happen as described or that they will happen at all. You should read this document completely and with the understanding that actual future results may be materially different from what we expect. Whether actual results will conform with our expectations and predictions is subject to a number of risks and uncertainties. The risks and uncertainties include, but are not limited to: our proposed merger with Hughes Electronics Corporation may not occur as a result of: (1) the failure to obtain necessary Internal Revenue Service, which is referred to as the IRS, tax rulings, antitrust clearance, Federal Communications Commission, or FCC, approval or the requisite approval from General Motors' stockholders, (2) shareholder litigation challenging the merger, or (3) the failure to satisfy other conditions; while we need substantial additional financing, we are highly leveraged and subject to numerous constraints on our ability to raise additional debt; we may incur unanticipated costs in connection with the Hughes merger financing or any refinancings we must undertake or consents we must obtain to enable us to consummate the Hughes merger; regulatory authorities may impose burdensome terms on us as a condition of granting their approval of the Hughes merger or the acquisition of Hughes' interest in PanAmSat, and legislative and regulatory developments may create unexpected challenges for us; we may not realize the benefits and synergies we expect from, and may incur unanticipated costs with respect to, the Hughes merger due to delays, burdensome conditions imposed by regulatory authorities, difficulties in integrating the businesses or disruptions in relationships with employees, customers or suppliers; we are party to various lawsuits which, if adversely decided, could have a significant adverse impact on our business; we may be unable to obtain patent licenses from holders of intellectual property or redesign our products to avoid patent infringement; we may be unable to obtain needed retransmission consents, FCC authorizations or export licenses; the regulations governing our industry may change; our satellite launches may be delayed or fail, our satellites may fail prematurely in orbit, we currently do not have traditional commercial insurance covering losses incurred from the failure of launches and/or satellites; and we may be unable to settle outstanding claims with insurers; weakness in the global economy may harm our business generally, and adverse local political or economic developments may occur in some of our markets; service interruptions arising from technical anomalies on some satellites, or caused by war, terrorist activities or natural disasters, may cause customer cancellations or otherwise harm our business; we face intense and increasing competition from the cable television industry, new competitors may enter the subscription television business, and new technologies may increase competition; DISH Network subscriber growth may decrease; subscriber turnover may increase; and subscriber acquisition costs may increase; sales of digital equipment and related services to international direct-to-home service providers may decrease; future acquisitions, business combinations, strategic partnerships and divestitures may involve additional uncertainties; the September 11, 2001 terrorist attacks and changes in international political conditions as a result of these events may continue to affect the U.S. and the global economy and may increase other risks; and we may face other risks described from time to time in periodic reports we file with the Securities and Exchange Commission. All cautionary statements made herein should be read as being applicable to all forward-looking statements wherever they appear. In this connection, investors should consider the risks described herein and should not place undue reliance on any forward-looking statements.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

In this document, the words "we," "our," and "us" refer to EchoStar Communications Corporation and its subsidiaries, unless the context otherwise requires. "EDBS" refers to EchoStar DBS Corporation and its subsidiaries and "EBC" refers to EchoStar Broadband Corporation and its subsidiaries. "General Motors" or "GM" refers to General Motors Corporation, "Hughes" refers to Hughes Electronics Corporation, or a holding company that is expected to be formed to hold all of the stock of Hughes, and "PanAmSat" refers to PanAmSat Corporation, in each case including their respective subsidiaries, unless the context otherwise requires We expect that consummation of the Hughes merger and related transactions and consummation of the PanAmSat acquisition described in our Annual Report on Form 10-K for the year ended December 31, 2001 would have material effects on our results of operations and liquidity and capital resources. Our historical financial information contained in this document does not give effect to either of these transactions, on a pro forma or any other basis, and our liquidity and capital resources discussions do not take these transactions into account. The EchoStar information statement, which we filed with the Securities and Exchange Commission on March 18, 2002 and expect to distribute to our common stockholders this summer, includes pro forma financial information of the combined company as if the Hughes merger was consummated and for us as if the Pan AmSat acquisition was consummated, each in accordance with the rules and regulations of the Securities and Exchange Commission. Please see our Annual Report on Form 10-K for the year ended December 31, 2001 for a description of how you can obtain a copy of the EchoStar information statement from the Securities and Exchange Commission.

RESULTS OF OPERATIONS

Three Months Ended March 31, 2002 Compared to Three Month Ended March 31, 2001.

Revenue. Total revenue for the three months ended March 31, 2002 was $1.104 billion, an increase of $242 million compared to total revenue for the three months ended March 31, 2001 of $862 million. The increase in total revenue was primarily attributable to continued DISH Network subscriber growth. Assuming a continued slow economy, we expect that our revenues will increase 20% to 25% in 2002 compared to 2001 as the number of DISH Network subscribers increases.

DISH Network subscription television services revenue totaled $1.016 billion for the three months ended March 31, 2002, an increase of $222 million compared to the same period in 2001. DISH Network subscription television services revenue principally consists of revenue from basic, premium and pay-per-view subscription television services. This increase was directly attributable to continued DISH Network subscriber growth. DISH Network added approximately 335,000 net new subscribers for the three months ended March 31, 2002 compared to approximately 460,000 net new subscriber additions during the same period in 2001. We believe the reduction in net new subscribers for the three months ended March 31, 2002, compared to the same period in 2001, resulted from a number of factors, including the continued weak U.S. economy and stronger competition from digital cable and cable modems. Additionally, as the size of our subscriber base continues to increase, even if percentage churn remains constant, increasing numbers of gross new subscribers are required to sustain net subscriber growth. As of March 31, 2002, we had approximately 7.16 million DISH Network subscribers compared to approximately 5.7 million at March 31, 2001, an increase of approximately 25%. DISH Network subscription television services revenue will continue to increase to the extent we are successful in increasing the number of DISH Network subscribers and maintaining or increasing revenue per subscriber. While there can be no assurance, notwithstanding our expectation of a continued slow U.S. economy, we expect to end 2002 with more than 8 million DISH Network subscribers.

Monthly average revenue per subscriber was approximately $48.36 during the three months ended March 31, 2002 and approximately $48.23 during the same period in 2001. Monthly average revenue per subscriber for the year ended December 31, 2001 was approximately $49.32. The decrease in monthly average revenue per subscriber from the year ended December 31, 2001 is primarily attributable to our I Like 9 promotion, under which participating subscribers receive substantially discounted programming for twelve months, and certain of our current promotions, discussed below, under which new subscribers receive free programming for the first three months of their term of service. While there can be no assurance, we expect a modest increase in monthly average revenue per subscriber during 2002 as compared to 2001.

Impacts from our litigation with the networks in Florida, FCC rules governing the delivery of superstations and other factors could cause us to terminate delivery of distant network channels and superstations to a material portion of our subscriber base, which could cause many of those customers to cancel their subscription to our other services. Any such terminations could result in a small reduction in average monthly revenue per subscriber and could result in an increase in our percentage churn.

Commencing January 1, 2002, we were required to comply with the statutory requirement to carry all qualified over the air television stations by satellite in any market where we carry any local network channels by satellite. The Media Bureau of the FCC (the "Bureau") recently concluded that we are not in compliance with "must carry" obligations. While we continue to believe our practices comply with the law, the Bureau offered a number of remedial actions we could implement in order to meet their standards. We have already initiated many of their proposed practices, and intend to take further steps over the next 30 to 60 days which we believe should satisfy the Bureau. However, there can be no assurance that our remedial actions will ultimately be deemed satisfactory by the FCC. In the event that our remedial actions are found to be unsatisfactory by the FCC, we could be forced to reduce the number of markets where we provide local channels in order to meet their interpretation of "must carry" obligations. Any reduction in the number of markets we serve in order to comply with "must carry" requirements for other markets would adversely affect our operations and could result in a temporary increase in churn. In combination, these resulting subscriber terminations would result in a small reduction in average monthly revenue per subscriber and could increase our percentage churn.

For the three months ended March 31, 2002, DTH equipment sales revenue totaled $57 million, an increase of $16 million compared to the same period during 2001. DTH equipment sales consist of sales of digital set-top boxes and other digital satellite broadcasting equipment to international DTH service operators, sales of StarBand equipment and sales of DBS accessories. The increase in DTH equipment sales revenue principally resulted from a increase in sales of digital set-top boxes to Bell ExpressVu, one of our primary international DTH customers. This increase was partially offset by a decrease in sales of digital set-top boxes to our other primary international DTH customer, Via Digital.

A significant portion of DTH equipment sales revenues through 2001 resulted from sales to two international DTH providers, Via Digital in Spain and Bell ExpressVu in Canada. For 2002, we have binding purchase orders from Bell ExpressVu and we are actively trying to secure new orders from Via Digital for delivery starting in the third quarter of 2002. However, we cannot guarantee at this time that those negotiations will be successful. In addition, our future revenue from the sale of DTH equipment in international markets depends largely on the success of these DTH operators and continued demand for our digital set-top boxes. As a result of these factors, we expect total DTH equipment sales revenue to decrease in 2002 compared to 2001. Although we continue to actively pursue additional distribution and integration service opportunities internationally, no assurance can be given that any such efforts will be successful.

DISH Network Operating Expenses. DISH Network operating expenses totaled $504 million during the three months ended March 31, 2002, an increase of $114 million or 29% compared to the same period in 2001. The increase in DISH Network operating expenses in total was consistent with, and primarily attributable to, the increase in the number of DISH Network subscribers. DISH Network operating expenses represented 50% and 49% of subscription television services revenue during the three months ended March 31, 2002 and 2001, respectively. The increase in DISH Network operating expenses as a percentage of subscription television services revenue primarily resulted from marketing promotions which offer new subscribers free or substantially discounted programming, for which we do not receive corresponding programming expense discounts. We expect to continue to control costs and create operating efficiencies. While there can be no assurance, we expect operating expenses as a percentage of subscription television services revenue to remain near current levels during 2002. See further discussion of components of DISH Network operating expense below.

Subscriber-related expenses totaled $408 million during the three months ended March 31, 2002, an increase of $92 million compared to the same period in 2001. The increase in total subscriber-related expenses is primarily attributable to the increase in DISH Network subscribers. Such expenses, which include programming expenses, copyright royalties, residuals currently payable to retailers and distributors, and billing, lockbox and other variable subscriber expenses, represented 40% of subscription television services revenues during each of the three months ended March 31, 2002 and 2001. While there can be no assurance, we expect subscriber-related expenses as a percentage of subscription television services revenue to remain near current levels during 2002.

Customer service center and other expenses principally consist of costs incurred in the operation of our DISH Network customer service centers, such as personnel and telephone expenses, as well as other operating expenses related to our service and installation business. Customer service center and other expenses totaled $83 million during the three months ended March 31, 2002, an increase of $18 million as compared to the same period in 2001. The increase in customer service center and other expenses primarily resulted from increased personnel and telephone expenses to support the growth of the DISH Network and from operating expenses related to the expansion of our installation and service business. Customer service center and other expenses totaled 8% of subscription television services revenue during each of the three months ended March 31, 2002 and 2001. While there can be no assurance, we expect these expenses in total, and as a percentage of subscription television services revenue, to remain near current levels during 2002. These expenses and percentages could temporarily increase in the future as additional infrastructure is added to meet future growth. We continue to work to automate simple telephone responses, and intend to increase Internet-based customer assistance in the future, in order to better manage customer service costs.

Satellite and transmission expenses include expenses associated with the operation of our digital broadcast centers, contracted satellite telemetry, tracking and control services, and commercial satellite in-orbit insurance premiums. Satellite and transmission expenses totaled $13 million during the three months ended March 31, 2002, a $4 million increase compared to the same period in 2001. Satellite and transmission expenses totaled 1% of subscription television services revenue during each of the three months ended March 31, 2002 and 2001. We expect satellite and transmission expenses in total and as a percentage of subscription television services revenue to increase in the future as additional satellites are placed in service, to the extent we successfully obtain commercial in-orbit insurance and to the extent we increase the operations at our digital broadcast centers in order, among other reasons, to meet the demands of current "must carry" requirements.

Cost of sales - DTH equipment. Cost of sales - DTH equipment totaled $39 million during the three months ended March 31, 2002, an increase of $10 million compared to the same period in 2001. Cost of sales - DTH equipment principally includes costs associated with digital set-top boxes and related components sold to international DTH operators and DBS accessories. The increase in Cost of sales - DTH equipment principally resulted from a increase in sales of digital set-top boxes to Bell ExpressVu, one of our primary international DTH customers. This increase was partially offset by a decrease in sales of digital set-top boxes to our other primary international DTH customer, Via Digital. Cost of sales - DTH equipment represented 69% and 70% of DTH equipment revenue, during the three months ended March 31, 2002 and 2001, respectively.

Marketing Expenses. Generally, under most promotions, we subsidize the cost and installation of EchoStar receiver systems in order to attract new DISH Network subscribers. Marketing expenses totaled $272 million during the three months ended March 31, 2002 compared to $300 million for the same period in 2001. This decrease primarily resulted from a decrease in subscriber promotion subsidies - cost of sales and Subscriber promotion subsidies - other. Subscriber promotion subsidies - cost of sales decreased primarily as a result of slower subscriber growth. The decrease in Subscriber promotion subsidies - other resulted from slower subscriber growth and changes in our marketing promotions during the three months ended March 31, 2002 to include promotions which generally require new subscribers to purchase receivers in order to qualify for free or substantially discounted programming. Conversely, during the same period in 2001, our marketing promotions generally offered free receiver systems to new subscribers. The decrease in total Marketing expense was partially offset by an increase in advertising expense related to our 2002 marketing promotions. Subscriber promotion subsidies - cost of sales includes the cost related to EchoStar receiver systems distributed to retailers and other distributors of our equipment. Subscriber promotion subsidies - other includes net

costs related to our free installation promotion and other promotional incentives. Advertising and other expenses totaled $37 million and $27 million during the three months ended March 31, 2002 and 2001, respectively.

During the three months ended March 31, 2002, our marketing promotions included our I Like 9, Free Dish, 1-2-3 Great TV, free installation program, and Digital Home Plan, which are described below.

During August 2001, we commenced our I Like 9 promotion. Under this promotion, subscribers who purchased an EchoStar receiver system for $199 or higher, received free installation and either our America's Top 100 CD or our DISH Latino Dos programming package for $9 a month for the first year. Subscriber acquisition costs are materially lower under this plan compared to historical promotions. This promotion expired January 31, 2002.

Our Free Dish promotion, under which subscribers receive a free base-level EchoStar receiver system, was commenced during August 2001. To be eligible, subscribers must provide a valid major credit card and make a one-year commitment to subscribe to a qualified programming package. Although there can be no assurance as to the ultimate duration of the Free Dish promotion, we intend to continue it through at least July 31, 2002.

During January 2002, we commenced our 1-2-3 Great TV promotion. Under this promotion, subscribers who purchase one or more receivers, provide a valid major credit card and make a one-year commitment, receive the first three months of qualified programming and installation on up to two receivers for free. Although there can be no assurance as to the ultimate duration of the 1-2-3 Great TV promotion, we intend to continue it through at least July 31, 2002.

Free Installation. Under our free installation program all customers who purchase an EchoStar receiver system from January 2000 through April 2000, from May 24, 2000 to July 31, 2000 and from September 15, 2000 to the present, are eligible to receive a free professional installation.

Digital Home Plan. Our Digital Home Plan promotion, introduced during July 2000, offers several choices to consumers, ranging from the use of one EchoStar receiver system and our America's Top 50 CD programming package for $27.99 per month, to providing consumers two or more EchoStar receiver systems and our America's Top 150 programming package for $50.99 to $60.99 per month. With each plan, consumers receive in-home service, must agree to a one-year commitment and incur a one-time set-up fee of $49.99, which through March 31, 2002, included the first three month's of qualified programming payment for qualified Digital Home Plan programming packages. For consumers who choose the Digital Home Plan with Dish PVR, which includes the use of one or more EchoStar receiver systems, one of which includes a built-in hard drive that allows viewers to pause and record live programming without the need for videotape, the consumer will incur a one-time set-up fee of $148.99. Since we retain ownership of equipment issued pursuant to the Digital Home Plan promotion, equipment costs are capitalized and depreciated over a period of four years. Although there can be no assurance as to the ultimate duration of the Digital Home Plan promotion, we intend to continue it through at least July 31, 2002.

Generally, under most promotions, we subsidize the cost and installation of EchoStar receiver systems in order to attract new DISH Network subscribers. There is no clear industry standard used in the calculation of subscriber acquisition costs. Our subscriber acquisition costs include subscriber promotion subsidies - cost of sales, subscriber promotion subsidies - other and DISH Network acquisition marketing expenses. During the three months ended March 31, 2002, our subscriber acquisition costs totaled approximately $266 million, or approximately $430 per new subscriber activation. Comparatively, our subscriber acquisition costs during the three months ended March 31, 2001 totaled approximately $297 million, or approximately $432 per new subscriber activation. The decrease in our per new subscriber acquisition cost primarily resulted from an increase in direct sales and changes in our marketing promotions during the three months ended March 31, 2002 to include promotions which generally require new subscribers to purchase receivers in order to qualify for free or substantially discounted programming. Conversely, during the same period in 2001, our marketing promotions generally offered free receiver systems to new subscribers. While there can be no assurance, we expect per subscriber acquisition costs for the year ended December 31, 2002 to be consistent with costs for the three months ended March 31, 2002, an increase from our previous guidance of $395 per new subscriber acquisition for the year. This increase in anticipated per subscriber acquisition costs is primarily the result of promotions introduced during the first quarter 2002, which are tailored toward subscribers who desire multiple receivers, resulting in higher equipment subsidies and increased dealer commissions. While there can be no assurance, we believe heightened credit procedures we implemented during the quarter, together with promotions tailored towards subscribers with multiple receivers, will attract better long-term subscribers than could be obtained through less costly promotions.

Since we retain ownership of the equipment, amounts capitalized under our Digital Home Plan are not included in our calculation of these subscriber acquisition costs. Capital expenditures under our Digital Home Plan promotion totaled approximately $77 million and $63 million for the three months ended March 31, 2002 and 2001, respectively. Cash and returned equipment received as a result of Digital Home Plan customer disconnects totaling approximately $12 million during the three months ended March 31, 2002 also is not included in our calculation of subscriber acquisition costs. As our Digital Home Plan was not introduced until July 2000 and requires a one-year commitment, cash and returned equipment were not material during the three months ended March 31, 2001.

Our subscriber acquisition costs, both in the aggregate and on a per new subscriber activation basis, may materially increase to the extent that we introduce other more aggressive promotions if we determine that they are necessary to respond to competition, or for other reasons.

General and Administrative Expenses. General and administrative expenses totaled $95 million during the three months ended March 31, 2002, an increase of $19 million as compared to the same period in 2001. The increase in G&A expenses was principally attributable to increased personnel expenses to support the growth of the DISH Network. G&A expenses represented 9% of total revenue during each of the three months ended March 31, 2002 and 2001. While there can be no assurance, we expect G&A expenses as a percentage of total revenue to remain near current levels in future periods.

Non-cash, Stock-based Compensation. During 1999, we adopted an incentive plan which provided certain key employees with incentives including stock options. The payment of these incentives was contingent upon our achievement of certain financial and other goals. We met certain of these goals during 1999. Accordingly, during 1999 we recorded approximately $179 million of deferred compensation related to post-grant appreciation of stock options granted pursuant to the 1999 incentive plan. The related deferred compensation will be recognized over the five-year vesting period. Accordingly, during the three months ended March 31, 2002 we recognized $2 million under this performance-based plan, a decrease of $5 million compared to the same period in 2001. This decrease is primarily attributable to stock option forfeitures resulting from employee terminations. The remaining deferred compensation of $21 million, which will be reduced by future forfeitures, if any, will be recognized over the remaining vesting period.

We report all non-cash compensation based on stock option appreciation as a single expense category in our accompanying statements of operations. The following table represents the other expense categories in our statements of operations that would be affected if non-cash, stock-based compensation was allocated to the same expense categories as the base compensation for key employees who participate in the 1999 incentive plan:

	MARCH 31,	
	2001	2002
	(in thousands)	
Customer service center and other	$ 233	$ 182
Satellite and transmission	466	(554)
General and administrative	6,757	2,038
Total non-cash, stock-based compensation	$ 7,456	$ 1,666

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Options to purchase an additional 9.4 million shares are outstanding as of March 31, 2002 and were granted at fair market value during 1999, 2000 and 2001 pursuant to a Long Term Incentive Plan. The weighted-average exercise price of these options is $8.95. Vesting of these options is contingent on meeting certain longer-term goals, which may be met upon the consummation of the proposed merger with Hughes. However, as the achievement of these goals cannot be reasonably predicted as of March 31, 2002, no compensation was recorded during the three months ended March 31, 2001 and 2002 related to these long-term options. We will continue to evaluate the likelihood of achieving these long-term goals and will record the related compensation at the time achievement of these goals becomes probable. Such compensation, if recorded, could result in material non-cash stock-based compensation expense in our statements of operations.

Pre-Marketing Cash Flow. Pre-marketing cash flow is comprised of EBITDA, as defined below, plus total marketing expenses. Pre-marketing cash flow was $450 million during the three months ended March 31, 2002, an increase of $99 million or 28% compared to the same period in 2001. Our pre-marketing cash flow as a percentage of total revenue was approximately 41% during each of the three months ended March 31, 2002 and 2001. We believe that pre-marketing cash flow can be a helpful measure of operating efficiency for companies in the DBS industry. While there can be no assurance, we expect pre-marketing cash flow as a percentage of total revenue to be approximately 40% during 2002.

Earnings Before Interest, Taxes, Depreciation and Amortization. EBITDA is defined as operating income (loss) plus depreciation and amortization, and adjusted for non-cash, stock-based compensation. EBITDA was $178 million during the three months ended March 31, 2002, compared to $51 million during the same period in 2001. This improvement in EBITDA was directly attributable to the increase in the number of DISH Network subscribers resulting in revenue sufficient to support the cost of new and existing subscribers. Our calculation of EBITDA for the three months ended March 31, 2002 and 2001 does not include approximately $2 million and $7 million, respectively, of non-cash compensation expense resulting from post-grant appreciation of employee stock options. In addition, EBITDA does not include the impact of amounts capitalized under our Digital Home Plan of approximately $77 million and $63 million during 2002 and 2001, respectively. While there can be no assurance, we expect EBITDA to increase approximately 80% to 100% in 2002 compared to 2001. As previously discussed, to the extent we introduce new marketing promotions and our subscriber acquisition costs materially increase, our EBITDA results will be negatively impacted because subscriber acquisition costs are generally expensed as incurred.

It is important to note that EBITDA and pre-marketing cash flow do not represent cash provided or used by operating activities. EBITDA and pre-marketing cash flow should not be considered in isolation or as a substitute for measures of performance prepared in accordance with generally accepted accounting principles.

Depreciation and Amortization. Depreciation and amortization expenses aggregated $82 million during the three months ended March 31, 2002, a $23 million increase compared to the same period in 2001. The increase in depreciation and amortization expenses principally resulted from an increase in depreciation related to the Digital Home Plan equipment and other depreciable assets placed in service during late 2001.

Other Income and Expense. Other expense, net, totaled $134 million during the three months ended March 31, 2002, a decrease of $21 million compared to the same period in 2001. This decrease primarily resulted from net losses on marketable and non-marketable investment securities of approximately $24 million recorded in 2002 compared to approximately $82 million during 2001. The decrease in Other expense was partially offset by an increase in interest expense as a result of the issuance of our 5 3/4% Convertible Subordinated Notes in May 2001, the issuance of our 9 1/8% Senior Notes in December 2001, and approximately $19 million of bridge financing commitment fees.

Net loss. Net loss was $39 million during the three months ended March 31, 2002, a decrease of $131 million compared to same period in 2001. This decrease is primarily attributable to the increase in the number of DISH Network subscribers resulting in revenue sufficient to support the cost of new and existing subscribers, though not yet adequate to fully support interest payments and other non-operating costs.

Net loss attributable to common shareholders. Net loss attributable to common shareholders was $97 million during the three months ended March 31, 2002, a decrease of $73 million compared to same period in 2001. This decrease is primarily attributable to the decrease in Net loss, as discussed above. The decrease in Net loss attributable to common shareholders was partially offset by $58 million of non-cash retained earnings reductions resulting from the contingent value rights and conversion features associated with the Vivendi

equity investment. These items are not a component of Net loss but are included in Net loss attributable to common shareholders for purposes of computing Net loss per common share.

LIQUIDITY AND CAPITAL RESOURCES

Cash Sources

As of March 31, 2002, our cash, cash equivalents and marketable investment securities totaled $4.503 billion, including $176 million of cash reserved for satellite insurance and approximately $4 million of restricted cash, compared to $2.952 billion, including $122 million of cash reserved for satellite insurance and $1 million of restricted cash, as of December 31, 2001. For the three months ended March 31, 2002 and 2001, we reported net cash flows from operating activities of $192 million and negative $20 million, respectively. The $212 million increase in net cash flow from operating activities reflects, among other things, changes in working capital and an increase in the number of DISH Network subscribers resulting in revenue sufficient to support the cost of new and existing subscribers, though not yet adequate to fully support interest payments and other non-operating costs.

Except with respect to the Hughes merger, if completed, we expect that our future working capital, capital expenditure and debt service requirements will be satisfied primarily from existing cash and investment balances and cash generated from operations. We may, however, be required to raise additional capital in the future to meet these requirements. However, there can be no assurance that additional financing will be available on acceptable terms, or at all, if needed in the future. Our ability to generate positive future operating and net cash flows is dependent upon our ability to continue to expand our DISH Network subscriber base, retain existing DISH Network subscribers, and our ability to grow our ETC business. There can be no assurance that we will be successful in achieving our goals. The amount of capital required to fund our 2002 working capital and capital expenditure needs will vary, depending, among other things, on the rate at which we acquire new subscribers and the cost of subscriber acquisition, including capitalized costs associated with our Digital Home Plan. Our working capital and capital expenditure requirements could increase materially in the event of increased competition for subscription television customers, significant satellite failures, or in the event of continued general economic downturn, among other factors. These factors could require that we raise additional capital in the future.

From time to time we evaluate opportunities for strategic investments or acquisitions that would complement our current services and products, enhance our technical capabilities or otherwise offer growth opportunities. As a result, acquisition discussions and offers, and in some cases, negotiations may take place and future material investments or acquisitions involving cash, debt or equity securities or a combination thereof may result.

Investment Securities

We currently classify all marketable investment securities as available-for-sale. In accordance with generally accepted accounting principles, we adjust the carrying value of our available-for-sale marketable investment securities to fair market value and report the related temporary unrealized gains and losses as a separate component of stockholders' deficit. Declines in the fair market value of a marketable investment security which are estimated to be "other than temporary" must be recognized in the statement of operations, thus establishing a new cost basis for such investment. We evaluate our marketable investment securities portfolio on a quarterly basis to determine whether declines in the market value of these securities are other than temporary. This quarterly evaluation consists of reviewing, among other things, the fair value of our marketable investment securities compared to the carrying value of these securities, the historical volatility of the price of each security and any market and company specific factors related to each security. Generally, absent specific factors to the contrary, declines in the fair value of investments below cost basis for a period of less than six months are considered to be temporary. Declines in the fair value of investments for a period of six to nine months are evaluated on a case by case basis to determine whether any company or market-specific factors exist which would indicate that such declines are other than temporary. Declines in the fair value of investments below cost basis for greater than nine months are considered other than temporary and are recorded as charges to earnings, absent specific factors to the contrary.

As of March 31, 2002, we recorded unrealized losses of approximately $19 million as a separate component of stockholders' deficit. During the three months ended March 31, 2002, we also recorded an aggregate charge to earnings for other than temporary declines in the fair market value of certain of our marketable investment securities of approximately $7 million, and established a new cost basis for these securities. This amount does not include realized gains of approximately $12 million on the sales of marketable investment securities. If the fair market value of our marketable securities portfolio does increase to cost basis or if we become aware of any market or company specific factors that indicate that the carrying value of certain of our securities is impaired, we may be required to record additional charges to earnings in future periods equal to the amount of the decline in fair value.

We have made strategic equity investments in certain non-marketable investment securities, which we also evaluate on a quarterly basis to determine whether the carrying value of each investment is impaired. The securities of these companies are not publicly traded. As such, this quarterly evaluation consists of reviewing, among other things, company business plans and current financial statements, if available, for factors which may indicate an impairment in our investment. Such factors may include, but are not limited to, cash flow concerns, material litigation, violations of debt covenants and changes in business strategy. During the quarter ended March 31, 2002, we recorded equity-method charges of approximately $8 million and an impairment charge of approximately $28 million to reduce the carrying value of certain non-marketable investment securities to zero.

Subscriber Turnover

Our percentage churn for the three months ended March 31, 2002 was consistent with our percentage churn during the three months ended March 31, 2001. While there can be no assurance, we currently expect that our percentage churn during 2002 will be consistent with our percentage churn during 2001. We also expect that our churn will continue to be lower than satellite and cable industry averages. In addition, impacts from our litigation with the networks in Florida, FCC rules governing the delivery of superstations and other factors could cause us to terminate delivery of distant network channels and superstations to a material portion of our subscriber base, which could cause many of those customers to cancel their subscription to our other services. Any such terminations could result in a small reduction in average monthly revenue per subscriber and could result in an increase in our percentage churn.

Commencing January 1, 2002, we were required to comply with the statutory requirement to carry all qualified over the air television stations by satellite in any market where we carry any local network channels by satellite. The Media Bureau of the FCC (the "Bureau") recently concluded that we are not in compliance with "must carry" obligations. While we continue to believe our practices comply with the law, the Bureau offered a number of remedial actions we could implement in order to meet their standards. We have already initiated many of their proposed practices, and intend to take further steps over the next 30 to 60 days which we believe should satisfy the Bureau. However, there can be no assurance that our remedial actions will ultimately be deemed satisfactory by the FCC. In the event that our remedial actions are found to be unsatisfactory by the FCC, we could be forced to reduce the number of markets where we provide local channels in order to meet their interpretation of "must carry" obligations. Any reduction in the number of markets we serve in order to comply with "must carry" requirements for other markets would adversely affect our operations and could result in a temporary increase in churn. In combination, these resulting subscriber terminations would result in a small reduction in average monthly revenue per subscriber and could increase our percentage churn.

Subscriber Acquisition Costs

As previously described, we generally subsidize the cost and installation of EchoStar receiver systems in order to attract new DISH Network subscribers. Our average subscriber acquisition costs were approximately $430 per new subscriber activation during the three months ended March 31, 2002. While there can be no assurance, we expect per subscriber acquisition costs for the year ended December 31, 2002 to be consistent with costs for the three months ended March 31, 2002, and increase from our previous guidance of $395 per new subscriber acquisition for the year. This increase in anticipated per subscriber acquisition costs is primarily the result of promotions introduced during the first quarter 2002, which are tailored towards subscribers who desire multiple receivers, resulting in higher equipment subsidies and increased dealer commissions. While there can be no assurance, we believe heightened credit procedures we implemented during the quarter, together with promotions tailored towards subscribers with multiple receivers, will attract better long-term subscribers than could be obtained through less costly promotions. Our subscriber acquisition costs, both in the aggregate and on a per new subscriber activation basis, may materially increase to the extent that we introduce other more aggressive promotions if we determine that they are necessary to respond to competition, or for other reasons.

Since we retain ownership of the equipment, amounts capitalized under our Digital Home Plan, totaling approximately $77 million for the three months ended March 31, 2002, are not included in our calculation of these subscriber acquisition costs. Cash and returned equipment received as a result of Digital Home Plan customer disconnects totaling approximately $12 million during the three months ended March 31, 2002, also is not included in our calculation of subscriber acquisition costs.

Funds necessary to meet subscriber acquisition costs will be satisfied from existing cash and investment balances to the extent available. We may, however, be required to raise additional capital in the future to meet these requirements. If we were required to raise capital today, a variety of debt and equity funding sources would likely be available to us. However, there can be no assurance that additional financing will be available on acceptable terms, or at all, if needed in the future.

Obligations and Future Capital Requirements

The indentures related to certain of EDBS' senior notes contain restrictive covenants that require us to maintain satellite insurance with respect to at least half of the satellites we own or lease. In addition, the indenture related to EBC's senior notes requires us to maintain satellite insurance on the lesser of half of our satellites or three of our satellites. All of our DBS satellites are owned by direct or indirect subsidiaries of EBC. During the three months ended March 31, 2002, EBC transferred ownership of EchoStar VII to EDBS, which increased EDBS' total satellite ownership to 7 satellites. Insurance coverage is therefore required for at least four of our seven satellites currently in-orbit. The launch and/or in-orbit insurance policies for EchoStar I through EchoStar VII have expired. To date we have been unable to obtain insurance on any of these satellites on terms acceptable to us. As a result, we are currently self-insuring these satellites. To satisfy insurance covenants related to EDBS' and EBC's senior notes, we have reclassified an amount equal to the depreciated cost of four of our satellites from cash and cash equivalents to cash reserved for satellite insurance on our balance sheet. As of March 31, 2002, cash reserved for satellite insurance totaled approximately $176 million. The reclassifications will continue until such time, if ever, as we can again insure our satellites on acceptable terms and for acceptable amounts. We believe we have in-orbit satellite capacity sufficient to expeditiously recover transmission of most programming in the event one of our in-orbit satellites fails. However, the cash reserved for satellite insurance is not adequate to fund the construction, launch and insurance for a replacement satellite in the event of a complete loss of a satellite. Programming continuity cannot be assured in the event of multiple satellite losses.

We may not be able to obtain commercial insurance covering the launch and/or in-orbit operation of EchoStar VIII at rates acceptable to us and for the full amount necessary to construct, launch and insure a replacement satellite. In that event, we will be forced to self-insure all or a portion of the launch and/or in-orbit operation of EchoStar VIII. The manufacturer of EchoStar VIII is contractually obligated to use their reasonable best efforts to obtain commercial insurance for the launch and in-orbit operation of EchoStar VIII for a period of in-orbit operation to be determined and in an amount of up to $225 million. There is no guarantee that they or we will be able to obtain commercial insurance for the launch and in-orbit operation of EchoStar VIII at reasonable rates and for the full replacement cost of the satellite.

We utilized $91 million of satellite vendor financing for our first four satellites. As of March 31, 2002, approximately $14 million of that satellite vendor financing remained outstanding. The satellite vendor financing bears interest at 8 1/4% and is payable in equal monthly installments over five years following launch of the satellite

to which it relates. A portion of the contract price with respect to EchoStar VII is payable over a period of 13 years following launch with interest at 8%, and a portion of the contract price with respect to EchoStar VIII and EchoStar IX is payable following launch with interest at 8%. As of March 31, 2002, we utilized approximately $15 million of satellite vendor financing related to EchoStar VII. These in orbit payments are contingent on the continued health of the satellites. The satellite vendor financings for EchoStar III, EchoStar IV and EchoStar VII are secured by an ECC corporate guarantee.

During the remainder of 2002, we anticipate total capital expenditures of between $400-$650 million depending upon the strength of the economy and other factors. We expect approximately 25% of that amount to be utilized for satellite construction and approximately 75% for EchoStar receiver systems in connection with our Digital Home Plan and for general corporate expansion. These percentages, as well as the overall expenditures, could change depending on a variety of factors including Digital Home Plan penetration and the extent we contract for the construction of additional satellites.

In addition to our DBS business plan, we have licenses, or applications pending with the FCC, for a two satellite FSS Ku-band satellite system and a two satellite FSS Ka-band satellite system. We will need to raise additional capital to complete construction of these satellites. We are currently funding the construction phase for two satellites. One of these satellites, EchoStar VIII, will be an advanced, high-powered DBS satellite. The second satellite, EchoStar IX, will be a hybrid Ku/Ka-band satellite.

We currently own a 90% interest in VisionStar, Inc., which holds an FCC license at the 113 degree orbital location. VisionStar's FCC license currently requires construction of the satellite to be completed by April 30, 2002 and the satellite to be operational by May 31, 2002. We will not complete construction or launch of the satellite by those dates and have requested an extension of these milestones from the FCC. Failure to receive an extension, of which there can be no assurance, will render the license invalid unless the milestones are extended by the FCC. In the future we may fund construction, launch and insurance of the satellite through cash from operations, public or private debt or equity financing, joint ventures with others, or from other sources, although there is no assurance that such funding will be available.

In the future we may fund construction, launch and insurance of additional satellites through cash from operations, public or private debt or equity financing, joint ventures with others, or from other sources, although there is no assurance that such funding will be available.

From time to time we evaluate opportunities for strategic investments or acquisitions that would complement our current services and products, enhance our technical capabilities or otherwise offer growth opportunities. As a result, acquisition discussions and offers, and in some cases, negotiations may take place and future material investments or acquisitions involving cash, debt or equity securities or a combination thereof may result.

We expect that our future working capital, capital expenditure and debt service requirements will be satisfied from existing cash and investment balances, and cash generated from operations. Our ability to generate positive future operating and net cash flows is dependent, among other things, upon our ability to retain existing DISH Network subscribers, our ability to manage the growth of our subscriber base, and our ability to grow our ETC business. To the extent future subscriber growth exceeds our expectations, it may be necessary for us to raise additional capital to fund increased working capital requirements. There may be a number of other factors, some of which are beyond our control or ability to predict, that could require us to raise additional capital. These factors include unexpected increases in operating costs and expenses, a defect in or the loss of any satellite, or an increase in the cost of acquiring subscribers due to additional competition, among other things. If cash generated from our operations is not sufficient to meet our debt service requirements or other obligations, we would be required to obtain cash from other financing sources. However, there can be no assurance that such financing would be available on terms acceptable to us, or if available, that the proceeds of such financing would be sufficient to enable us to meet all of our obligations.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

MARKET RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

As of March 31, 2002, our unrestricted cash, cash equivalents and marketable investment securities had a fair value of approximately $4.3 billion. Of that amount, a total of approximately $4.2 billion was invested in: (a) cash; (b) debt instruments of the U.S. Government and its agencies; (c) commercial paper with an average maturity of less than one year and rated in one of the four highest rating categories by at least two nationally recognized statistical rating organizations; and (d) instruments with similar risk characteristics to the commercial paper described above. The primary purpose of these investing activities has been to preserve principal until the cash is required to fund operations. Consequently, the size of this portfolio fluctuates significantly as cash is raised and used in our business.

The value of certain of the investments in this portfolio can be impacted by, among other things, the risk of adverse changes in securities and economic markets generally, as well as the risks related to the performance of the companies whose commercial paper and other instruments we hold. However, the high quality of these investments (as assessed by independent rating agencies), reduces these risks. The value of these investments can also be impacted by interest rate fluctuations. At March 31, 2002, all of our investments in this category were in fixed rate instruments or money market type accounts. While an increase in interest rates would ordinarily adversely impact the fair value of fixed rate investments, we normally hold these investments to maturity. Consequently, neither interest rate fluctuations nor other market risks typically result in significant gains or losses to this portfolio. A decrease in interest rates has the effect of reducing our future annual interest income from this portfolio, since funds would be re-invested at lower rates as the instruments mature. Over time, any net percentage decrease in interest rates could be reflected in a corresponding net percentage decrease in our interest income. As of March 31, 2002 our marketable securities portfolio balance was approximately $4.3 billion with an average annual interest rate of approximately 2.3%. A hypothetical 10% decrease in interest rates would result in a decrease of approximately $10 million in annual interest income.

We also invest in debt and equity of public and private companies for strategic and financial purposes. As of March 31, 2002, we held strategic and financial debt and equity investments of public companies with a fair value of approximately $119 million. We acquired stock in one of those companies, OpenTV, in connection with establishment of a strategic relationship which did not involve the investment of cash by us. We may make additional strategic and financial investments in other debt and equity securities in the future.

The fair value of our strategic debt investments can be impacted by interest rate fluctuations. Absent the effect of other factors, a hypothetical 10% increase in LIBOR would result in a decrease in the fair value of our investments in these debt instruments of approximately $4.8 million. The fair value of our strategic debt and equity investments can also be significantly impacted by the risk of adverse changes in securities markets generally, as well as risks related to the performance of the companies whose securities we have invested in, risks associated with specific industries, and other factors. These investments are subject to significant fluctuations in fair market value due to the volatility of the securities markets and of the underlying businesses. A hypothetical 10% adverse change in the price of our public strategic debt and equity investments would result in approximately a $11.9 million decrease in the fair value of that portfolio.

In accordance with generally accepted accounting principles, declines in the fair market value of a marketable investment security which are estimated to be "other than temporary" must be recognized in the statement of operations, thus establishing a new cost basis for such investment. We evaluate our marketable investment securities portfolio on a quarterly basis to determine whether declines in the market value of these securities are other than temporary. This quarterly evaluation consists of reviewing, among other things, the fair value of our marketable investment securities compared to the carrying value of these securities and any market and company specific factors related to each security. Generally, absent specific factors to the contrary, declines in the fair value of investments below cost basis for a period of less than six months are considered to be temporary. Declines in the fair value of investments for a period of six to nine months are evaluated on a case by case basis to determine whether any company or market-specific factors exist which would indicate that such declines are other than temporary. Declines in the fair value of investments below cost basis for greater than nine months are considered other than temporary and are recorded as charges to earnings, absent specific factors to the contrary. During the three months ended March 31, 2002, we recorded an aggregate charge to earnings for other than

temporary declines in the fair market value of certain of our marketable investment securities of approximately $7 million, and established a new cost basis for these securities. This amount does not include realized gains of approximately $12 million on the sales of marketable investment securities. In addition, we have recorded unrealized losses totaling approximately $19 million as of March 31, 2002. If the fair market value of our marketable securities portfolio does not increase to cost basis or if we become aware of any market or company specific factors that indicate that the carrying value of certain of our securities is impaired, we may be required to record an additional charge to earnings in future periods equal to the amount of the decline in fair value.

In addition to the $4.3 billion, we also have made strategic equity investments in certain non-marketable investment securities which are not publicly traded. Our ability to create realizable value for our strategic investments in companies that are not public is dependent on the success of their business and ability to obtain sufficient capital to execute their business plans. Since private markets are not as liquid as public markets, there is also increased risk that we will not be able to sell these investments, or that when we desire to sell them that we will not be able to obtain full value for them. We have a strategic investment in StarBand Communications, Inc. StarBand has minimal cash on hand and has significant vendor and bank obligations. In addition, StarBand's ability to raise additional capital in the future is currently uncertain, and attempts to date have been unsuccessful. As a result of these and other factors, StarBand's independent public accountants have expressed uncertainty as to StarBand's ability to continue as a going concern in the 2001 StarBand audit opinion. Further, during April 2002, we changed our sales and marketing relationship with StarBand and ceased subsidizing StarBand equipment. StarBand is therefore currently responsible for any equipment subsidies to its subscribers, which increases its on-going cash requirements. As a result of these and other factors, during the quarter ended March 31, 2002, we recorded equity-method charges of approximately $8 million and an impairment charge of approximately $28 million to reduce the carrying value of StarBand to zero.

As of March 31, 2002, we estimated the fair value of our fixed-rate debt and mortgages and other notes payable to be approximately $5.6 billion using quoted market prices where available, or discounted cash flow analyses. The interest rates assumed in such discounted cash flow analyses reflect interest rates currently being offered for loans with similar terms to borrowers of similar credit quality. The fair value of our fixed rate debt and mortgages is affected by fluctuations in interest rates. A hypothetical 10% decrease in assumed interest rates would increase the fair value of our debt by approximately $227 million. To the extent interest rates increase, our costs of financing would increase at such time as we are required to refinance our debt. As of March 31, 2002, a hypothetical 10% increase in assumed interest rates would increase our annual interest expense by approximately $46 million.

We have not used derivative financial instruments for speculative purposes. We have not hedged or otherwise protected against the risks associated with any of our investing or financing activities.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

WIC Premium Television Ltd.

During July 1998, a lawsuit was filed by WIC Premium Television Ltd., an Alberta corporation, in the Federal Court of Canada Trial Division, against General Instrument Corporation, HBO, Warner Communications, Inc., John Doe, Showtime, United States Satellite Broadcasting Company, Inc., us, and two of our wholly-owned subsidiaries, Echosphere Corporation and Dish, Ltd. EchoStar Satellite Corporation, EchoStar DBS Corporation, EchoStar Technologies Corporation, and EchoStar Satellite Broadcast Corporation were subsequently added as defendants. The lawsuit seeks, among other things, interim and permanent injunctions prohibiting the defendants from activating receivers in Canada and from infringing any copyrights held by WIC.

During September 1998, WIC filed another lawsuit in the Court of Queen's Bench of Alberta Judicial District of Edmonton against certain defendants, including us. WIC is a company authorized to broadcast certain copyrighted work, such as movies and concerts, to residents of Canada. WIC alleges that the defendants engaged in, promoted, and/or allowed satellite dish equipment from the United States to be sold in Canada and to Canadian residents and that some of the defendants allowed and profited from Canadian residents purchasing and viewing subscription television programming that is only authorized for viewing in the United States. The lawsuit seeks, among other things, interim and permanent injunctions prohibiting the defendants from importing hardware into Canada and from activating receivers in Canada, together with damages in excess of $175 million.

The Court in the Alberta action denied our Motion to Dismiss, and our appeal of such decision. The Court in the Federal action has stayed that case pending the outcome of the Alberta action. The case is now currently in discovery. We intend to vigorously defend the suit. Recently, the Supreme Court of Canada ruled that the receipt in Canada of programming from U.S. pay television providers is prohibited. While we were not a party to that case, the ruling could adversely affect our defense. It is too early to make an assessment of the probable outcome of the litigation or to determine the extent of any potential liability or damages.

Broadcast network programming

Until July 1998, we obtained distant broadcast network channels (ABC, NBC, CBS and FOX) for distribution to its customers through PrimeTime 24. In December 1998, the United States District Court for the Southern District of Florida entered a nationwide permanent injunction requiring PrimeTime 24 to shut off distant network channels to many of its customers, and henceforth to sell those channels to consumers in accordance with certain stipulations in the injunction.

In October 1998, we filed a declaratory judgment action against ABC, NBC, CBS and FOX in the U.S. District Court for the District of Colorado. We asked the court to enter a judgment declaring that its method of providing distant network programming did not violate the Satellite Home Viewer Act ("SHVA") and hence did not infringe the networks' copyrights. In November 1998, the networks and their affiliate groups filed a complaint against us in Miami Federal Court alleging, among other things, copyright infringement. The court combined the case that we filed in Colorado with the case in Miami and transferred it to the Miami court. The judge presiding over the matter recently died. As a result, the case was transferred to a judge in Fort Lauderdale, where the case remains pending. While the networks have not sought monetary damages, they have sought to recover attorney fees if they prevail.

In February 1999, the networks filed a "Motion for Temporary Restraining Order, Preliminary Injunction and Contempt Finding" against DirecTV, Inc. in Miami related to the delivery of distant network channels to DirecTV customers by satellite. DirecTV settled this lawsuit with the networks. Under the terms of the settlement between DirecTV and the networks, some DirecTV customers were scheduled to lose access to their satellite-provided distant network channels by July 31, 1999, while other DirecTV customers were to be disconnected by December 31, 1999. Subsequently, PrimeTime 24 and substantially all providers of satellite-delivered network programming other than us agreed to this cut-off schedule, although we do not know if they adhered to this schedule.

In December 1998, the networks filed a Motion for Preliminary Injunction against us in the Miami court, and asked the court to enjoin us from providing network programming except under limited circumstances. A preliminary injunction hearing was held on September 21, 1999. In March 2000, the networks filed an emergency motion again asking the court to issue an injunction requiring us to turn off network programming to certain of its customers. At that time, the networks also argued that our compliance procedures violate the Satellite Home Viewer Improvement Act ("SHVIA"). We opposed the networks' motion and again asked the court to hear live testimony before ruling upon the networks' injunction request.

During September 2000, the Court granted the Networks' motion for preliminary injunction, denied the Network's emergency motion and denied our request to present live testimony and evidence. The Court's original order required us to terminate network programming to certain subscribers "no later than February 15, 1999," and contained other dates with which it would have been physically impossible to comply. The order imposed restrictions on our past and future sale of distant ABC, NBC, CBS and Fox channels similar to those imposed on PrimeTime 24 (and, we believe, on DirecTV and others). Some of those restrictions went beyond the statutory requirements imposed by the SHVA and the SHVIA.

On October 3, 2000, and again on October 25, 2000, the Court amended its original preliminary injunction order in an effort to fix some of the errors in the original order. The twice amended preliminary injunction order required us to shut off, by February 15, 2001, all subscribers who are ineligible to receive distant network programming under the court's order. We appealed the September 2000 preliminary injunction order and the October 3, 2000 amended preliminary injunction order. On November 22, 2000, the United States Court of Appeals for the Eleventh Circuit stayed the Florida Court's preliminary injunction order pending our appeal. At that time, the Eleventh Circuit also expedited its consideration of our appeal.

Oral argument before the Eleventh Circuit was held on May 24, 2001. On September 17, 2001, the Eleventh Circuit vacated the District Court's nationwide preliminary injunction, which the Eleventh Circuit had stayed in November 2000. The Eleventh Circuit also rejected our First Amendment challenge to the SHVA. However, the Eleventh Circuit found that the District Court had made factual findings that were clearly erroneous and not supported by the evidence, and that the District Court had misinterpreted and misapplied the law. The Eleventh Circuit also found that the District Court came to the wrong legal conclusion concerning the grandfathering provision found in 17 U.S.C. Section 119(d); the Eleventh Circuit reversed the District Court's legal conclusion and instead found that this grandfathering provision allows subscribers who switch satellite carriers to continue to receive the distant network programming that they had been receiving. The Eleventh Circuit issued an order during January 2002, remanding the case to the Florida District Court. On March 26, 2002, the Florida District Court entered an order, set the trial in the matter for January 13, 2003 and also set a discovery and pretrial schedule. In this order, the District Court denied certain of our outstanding motions to compel discovery as moot and granted the Networks' motion to compel. On April 17, 2002, the District Court denied the Networks' motion for preliminary injunction as moot.

On March 27, 2002, we, through Harvard Law Professor Lawrence Tribe, filed our Petition For A Writ Of Certiorari with the United States Supreme Court, challenging the constitutionality of the SHVA under the First Amendment. The Networks' response to the Certiorari Petition is due on May 3, 2002. There is no guarantee that the United States Supreme Court will grant our Certiorari Petition or that if the Supreme Court grants our Certiorari Petition, the Supreme Court will render a decision before the January 13, 2003, trial in the District Court. On March 26, 2002, the Florida District Court also denied our request to stay the proceedings and any discovery pending the resolution of our constitutional challenge. However, the District Court stated that if the Supreme Court grants our Certiorari Petition, we may renew our stay request. We intend to renew our stay request if the Supreme Court grants our Certiorari Petition.

In April, 2002, we reached a private settlement with ABC, Inc., one of the plaintiffs in the litigation. On April 4, 2002, we and ABC, Inc., filed a stipulation of dismissal. On April 16, 2002, the District Court entered an order dismissing the claims between ABC, Inc. and us.

If, after a trial, the District Court enters an injunction against us, the injunction could force us to terminate delivery of distant network channels to a substantial portion of its distant network subscriber base, which could also cause many of these subscribers to cancel their subscription to its other services. Management has determined that such terminations would result in a small reduction in our reported average monthly revenue per subscriber and could result in a temporary increase in churn. If we lose the case at trial, the judge could, as one of many possible remedies, prohibit all future sales of distant network programming by us, which would have a material adverse affect on our business.

Gemstar

During October 2000, Starsight Telecast, Inc., a subsidiary of Gemstar-TV Guide International, Inc., filed a suit for patent infringement against us and certain of our subsidiaries in the United States District Court for the Western District of North Carolina, Asheville Division. The suit alleges infringement of United States Patent No. 4,706,121 ("the `121 Patent") which relates to certain electronic program guide functions. We have examined this patent and believe that it is not infringed by any of our products or services. We will vigorously defend against this suit. On March 30, 2001, the court stayed this action pending resolution of the International Trade Commission matter discussed below.

In December 2000, we filed suit against Gemstar - TV Guide (and certain of its subsidiaries) in the United States District Court for the District of Colorado alleging violations by Gemstar of various federal and state anti-trust laws and laws governing unfair competition. The lawsuit seeks an injunction and monetary damages. Gemstar filed counterclaims alleging infringement of United States Patent Nos. 5,923,362 and 5,684,525 that relate to certain electronic program guide functions. We examined these patents and believe they are not infringed by any of our products or services. In August 2001, the Federal Multi-District Litigation panel combined this suit, for discovery purposes, with other lawsuits asserting antitrust claims against Gemstar, which had previously been filed by other plaintiffs. In January 2002, Gemstar dropped the counterclaims of patent infringement. On March 6, 2002, the Court denied Gemstar's Motion to Dismiss our antitrust claims. Accordingly, Gemstar was required to file its formal answer which it did on March 26, 2002. In its answer, Gemstar asserts new patent infringement counterclaims regarding U.S. Patent Nos. 4,908,713 and 5,915,068 (which is expired). These patents relate to onscreen programming of VCRs. We have examined these patents and believe that they are not infringed by any of our products or services.

In February 2001, Gemstar filed patent infringement actions against us in District Court in Atlanta, Georgia and in the International Trade Commission ("ITC"). These suits allege infringement of United States Patent Nos. 5,252,066, 5,479,268 and 5,809,204 all of which relate to certain electronic program guide functions. In addition, the ITC action alleges infringement of the `121 Patent which is asserted in the North Carolina case. In the Atlanta District Court case, Gemstar seeks damages and an injunction. The North Carolina and Atlanta cases have been stayed pending resolution of the ITC action. ITC actions typically proceed according to an expedited schedule. In December 2001, the ITC held a 15-day hearing before an administrative judge. Prior to the hearing, Gemstar dropped its allegations regarding Unites States Patent No. 5,252,066 with respect to which we had asserted substantial allegations of inequitable conduct. The hearing addressed, among other things, Gemstar's allegations of patent infringement and respondents' (SCI, Scientific Atlanta, Pioneer and us) allegations of patent misuse. A decision by the judge is expected by June 21, 2002 and a final ruling by the full ITC is expected on or about September 23, 2002. While the ITC cannot award damages, an adverse decision in this case could temporarily halt the import of our receivers and could require us to materially modify certain user-friendly electronic programming guides and related features we currently offer to consumers. We have examined the patents in dispute and believe they are not infringed by any of our products or services. We will continue to vigorously contest the ITC, North Carolina and Atlanta allegations of infringement and will, among other things, challenge both the validity and enforceability of the asserted patents. We are providing a defense and indemnification to SCI in the ITC and Atlanta cases pursuant to the terms of their contract.

During 2000, Superguide Corp. also filed suit against us, DirecTV and others in the United States District Court for the Western District of North Carolina, Asheville Division, alleging infringement of United States Patent Nos. 5,038,211, 5,293,357 and 4,751,578 which relate to certain electronic program guide functions, including the

use of electronic program guides to control VCRs. Superguide seeks injunctive and declaratory relief and damages in an unspecified amount. It is our understanding that these patents may be licensed by Superguide to Gemstar. Gemstar has been added as a party to this case and is now asserting these patents against us. We have examined these patents and believe that they are not infringed by any of our products or services. A Markman ruling was issued by the Court and in response to that ruling we have filed motions for summary judgment of non-infringement for each of the asserted patents. Gemstar has filed a motion for summary judgment of infringement with respect to the patents. Decisions on these outstanding summary judgement motions are expected during the summer of 2002. We will continue vigorously defend this case and to press our patent misuse defenses against Gemstar.

In the event it is ultimately determined that we infringe on any of the aforementioned patents we may be subject to substantial damages, including the potential for treble damages, and/or an injunction that could require us to materially modify certain user friendly electronic programming guide and related features we currently offer to consumers. It is too early to make an assessment of the probable outcome of the suits.

IPPV Enterprises

IPPV Enterprises, LLC and MAAST, Inc. filed a patent infringement suit against us, and our conditional access vendor Nagra, in the United States District Court for the District of Delaware. The suit alleged infringement of five patents. One patent was subsequently dropped by plaintiffs. Three of the remaining patents disclose various systems for the implementation of features such as impulse-pay-per view, parental control and category lock-out. The fourth remaining patent relates to an encryption technique. The Court entered summary judgment in our favor on the encryption patent. Plaintiffs had claimed $80 million in damages with respect to the encryption patent. On July 13, 2001, a jury found that the remaining three patents were infringed and awarded damages of $15 million. The jury also found that one of the patents was willfully infringed which means that the judge is entitled to increase the award of damages. On post-trial motions, the Judge reduced damages to $7.33 million, found that one of the infringed patents was invalid, and reversed the finding of willful infringement. In addition, the Judge denied IPPV's request for treble damages and attorney fees. We intend to file an appeal. Any final award of damages would be split between us and Nagra in percentages to be agreed upon between us and Nagra.

California Actions

A purported class action was filed against us in the California State Superior Court for Alameda County during May 2001 by Andrew A. Werby. The complaint, relating to late fees, alleges unlawful, unfair and fraudulent business practices in violation of California Business and Professions Code Section 17200 et seq., false and misleading advertising in violation of California Business and Professions Code Section 17500, and violation of the California Consumer Legal Remedies Act. On September 24, 2001, we filed an answer denying all material allegations of the Complaint. On September 27, 2001, the Court entered an Order Pursuant to Stipulation for a provisional certification of the class, for an orderly exchange of information and for mediation. The provisional Order specifies that the class shall be de-certified upon notice in the event mediation does not resolve the dispute. The matter is currently in mediation. It is too early in the litigation to make an assessment of the probable outcome of the litigation or to determine the extent of any potential liability or damages. We intend to deny all liability and to vigorously defend the lawsuit.

A purported class action relating to the use of terms such as "crystal clear digital video," "CD-quality audio," and "on-screen program guide", and with respect to the number of channels available in various programming packages, has also been filed against us in the California State Superior Court for Los Angeles County by David Pritikin and by Consumer Advocates, a nonprofit unincorporated association. The complaint alleges breach of express warranty and violation of the California Consumer Legal Remedies Act, Civil Code Sections 1750, et. seq., and the California Business & Professions Code Sections 17500, 17200. We have filed an answer and the case is currently in discovery. Plaintiffs filed their Motion for Class Certification on January 21, 2002 and we have filed our opposition. The Court will conduct a hearing on class certification in early May 2002. It is too early in the litigation to make an assessment of the probable outcome of the litigation or to determine the extent of any potential liability or damages. We deny all liability and intend to vigorously defend the lawsuit.

PART II - OTHER INFORMATION

Retailer Class Actions

We have been sued by retailers in three separate purported class actions. In two separate lawsuits filed in the District Court, Arapahoe County, State of Colorado and the United States District Court for the District of Colorado, respectively, Air Communication & Satellite, Inc. and John DeJong, et. al. filed lawsuits on October 6, 2000 on behalf of themselves and a class of persons similarly situated. The plaintiffs are attempting to certify nationwide classes allegedly brought on behalf of persons, primarily retail dealers, who were alleged signatories to certain retailer agreements with EchoStar Satellite Corporation. The plaintiffs are requesting the Courts to declare certain provisions of the alleged agreements invalid and unenforceable, to declare that certain changes to the agreements are invalid and unenforceable, and to award damages for lost commissions and payments, charge backs, and other compensation. We intend to vigorously defend against the suits and to assert a variety of counterclaims. The trial court in the Arapahoe County court action entered an order prohibiting us from communicating with members of the putative class concerning the litigation. We petitioned the Supreme Court, and the Supreme Court of Colorado ruled that corrective notice must be sent to putative class members. It is too early to make an assessment of the probable outcome of the litigation or to determine the extent of any potential liability or damages. A class certification hearing for the Arapahoe County court action is scheduled for November 1, 2002.

Satellite Dealers Supply, Inc. filed a lawsuit in the United States District Court for the Eastern District of Texas on September 25, 2000, on behalf of itself and a class of persons similarly situated. The plaintiff is attempting to certify a nationwide class on behalf of sellers, installers, and servicers of satellite equipment who contract with us and claim the alleged class has been "subject to improper chargebacks." The plaintiff alleges that we: (1) charged back certain fees paid by members of the class to professional installers in violation of contractual terms; (2) manipulated the accounts of subscribers to deny payments to class members; and (3) misrepresented to class members who own certain equipment related to the provision of satellite television service. On September 18, 2001, the Court granted our Motion to Dismiss for lack of personal jurisdiction. Plaintiff Satellite Dealers Supply has moved for reconsideration of the Court's order dismissing the case. It is too early to make an assessment of the probable outcome of the litigation or to determine the extent of any potential liability or damages.

PrimeTime 24 Joint Venture

PrimeTime 24 Joint Venture filed suit against us during September 1998 seeking damages in excess of $10 million and alleging breach of contract, wrongful termination of contract, interference with contractual relations, trademark infringement and unfair competition. Our motion for summary judgment was granted with respect to PrimeTime 24's claim of interference with contractual relations and unfair competition. Plaintiff's motion for summary judgment was granted with respect to its breach of contract claim for fees during the period from May 1998 through July 19, 1998. It is ultimately up to a jury to determine the amount of fees owed for this period. It is too early to make an assessment of the probable outcome of the remainder of the litigation or to determine the extent of any additional potential liability or damages.

Satellite Insurance

In September 1998, we filed a $219.3 million insurance claim for a constructive total loss under the launch insurance policies covering EchoStar IV. The satellite insurance consists of separate substantially identical policies with different carriers for varying amounts that, in combination, create a total insured amount of $219.3 million. Our insurance carriers offered it a total of approximately $88 million, or 40% of the total policy amount, in settlement of the EchoStar IV insurance claim. The insurers offered to pay only part of the $219.3 million claim because they allege we did not abide by the exact terms of the insurance policy. The insurers also assert that EchoStar IV was not a constructive total loss, as that term is defined in the policy. We strongly disagree and filed an arbitration claim against the insurers for breach of contract, failure to pay a valid insurance claim and bad faith denial of a valid claim, among other things. There can be no assurance that we will receive the amount claimed or, if we do, that we will retain title to EchoStar IV with its reduced capacity. Based on the carriers' failure to pay the amount we believe is owed under the policy and their improper attempts to force us to settle for less than the full amount of its claim, we have added causes of action in our EchoStar IV demand for arbitration for breach of the duty of good faith and fair dealing, and unfair claim practices. With respect to our arbitration claims, we are hopeful they will be resolved, and we believe it is probable that we will receive a substantial portion of the benefits due.

PART II - OTHER INFORMATION

We are subject to various other legal proceedings and claims which arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to those actions will not materially affect our financial position or results of operations.

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

STRATEGIC ALLIANCE WITH VIVENDI UNIVERSAL AND SALE OF SERIES D CONVERTIBLE PREFERRED STOCK

On January 22, 2002, a subsidiary of Vivendi acquired 5,760,479 shares of our Series D convertible preferred stock for $1.5 billion, or approximately $260.40 per share. The $1.48 billion of net cash proceeds received is expected to provide a portion of the funding for the proposed merger with Hughes and related transactions. Each share of the Series D preferred stock has the same economic (other than liquidation) and voting rights as ten shares of our class A common stock into which it is convertible and has a liquidation preference equal to approximately $260.40 per share. Immediately prior to consummation of the Hughes merger, or as described in our agreement with Vivendi if the Hughes merger is not consummated, the Series D preferred stock will convert into shares of our class A common stock, which will then be exchanged for shares of class A common stock of the surviving corporation in the Hughes merger. The Series D preferred stock is also convertible into shares of our class A common stock at any time at the option of the holder and automatically upon the occurrence of certain other specified events.

In connection with the purchase of the Series D convertible preferred stock, Vivendi also received contingent value rights, intended to provide protection against certain downward price movement in the class A common stock to be issued upon conversion of the Series D convertible preferred stock. The maximum payment under the rights is $225 million if the Hughes merger is completed and the price of our class A common stock is below $26.04 per share during a 20 trading day period preceding the three-year settlement date specified below, or $525 million if the Hughes merger is not completed and the price of our class A common stock is below $26.04 per share during a 20 trading day period preceding the 30 month settlement date specified below. Any amount owing under these rights would be settled three years after completion of the Hughes merger, except in certain limited circumstances. In addition, if the Hughes merger is not consummated, these rights will be settled 30 months after the acquisition of Hughes' 81% interest in PanAmSat or the termination of the merger agreement and the PanAmSat stock purchase agreement. The contingent value rights, initially valued at approximately $30.7 million, were recorded as a charge to retained earnings as of the date of consummation of the investment on January 22, 2002. The contingent value rights are periodically adjusted to the current settlement amount, based on their current estimated fair value, through a charge or credit to retained earnings. For the three months ended March 31, 2002, we recorded a credit to retained earnings of approximately $3.5 million to reduce the carrying value of the contingent value rights to their current estimated fair value.

In addition, the conversion price for the Series D convertible preferred stock was set at $26.04 upon execution of the investment agreement on December 14, 2001. However, the investment was not consummated until January 22, 2002, when the price of EchoStar's class A common stock was $26.58. Since the price as of the date of consummation of the investment was above the set conversion price and since consummation of the investment was contingent on regulatory approval, the Series D preferred stock was deemed to be issued with a beneficial conversion feature. This feature required the difference between the conversion price and the price as of the date of consummation to be recorded as a discount on the Series D convertible preferred stock. The Series D convertible preferred stock was accreted to its conversion value through a charge to retained earnings equal to the discount of approximately $31.1 million as of the date of issuance since the Series D convertible preferred stock is immediately convertible at the holder's option.

The issuance costs of approximately $16.5 million related to the Series D convertible preferred stock were recorded as a discount on the Series D convertible preferred stock. However, since the Series D convertible preferred stock is redeemable at the holder's option upon a change of control, as defined in the related agreement, and the redemption price of the Series D convertible preferred stock exceeds the discounted carrying value, the discount would be charged to retained earnings to restore the Series D convertible preferred stock to its redemption value if redemption of the Series D convertible preferred stock became probable. As of March 31, 2002, redemption of the Series D convertible preferred stock is not probable and thus no charge to retained earnings is necessary.

We filed copies or forms of certain of the definitive agreements relating to the Vivendi investment with the Securities and Exchange Commission on a Current Report on Form 8-K on both December 21, 2001 and January 23, 2002. You may read and copy any of these agreements that we filed at the SEC's public reference rooms in Washington, D.C., New York, New York and Chicago, Illinois. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. These agreements are also available to you free of charge at the SEC's website at http://www.sec.gov.

In addition, Vivendi and we announced an eight-year strategic alliance in which Vivendi will develop and provide our DISH Network customers in the U.S. a variety of programming and interactive television services.

As part of this alliance, Vivendi plans to offer our DISH Network customers five new non-exclusive channels of basic and niche programming content. Vivendi will also offer expanded pay-per-view and video-on-demand movies. These services are expected to begin to launch in the fall of 2002. Customary fees per subscriber will be paid by us. Vivendi and we also intend to work together on a programming initiative to develop new non-exclusive satellite-delivered broadband channels featuring interactive games, movies, sports, education, and music to be launched within a three-year period following consummation of the agreement.

Also as part of the alliance, we will integrate Vivendi's advanced, interactive middleware technology, MediaHighway, a Canal+Technology, as a non-exclusive middleware solution that will provide DISH Network customers using personal video recorders unique interactive television services, such as movies from Vivendi and music from Universal Music Group.

As part of this alliance, Jean-Marie Messier, Chairman and CEO of Vivendi, became a member of our Board of Directors, and he is expected to continue as a director following our proposed Hughes merger.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits.

10.1+	Contingent Value Rights Agreement, dated January 22, 2002, between EchoStar Communications Corporation and Vivendi Universal, S. A.
10.2+	Registration Rights Agreement, dated January 22, 2002, between EchoStar Communications Corporation and Vivendi Universal, S. A.
10.3+	Modification No. 11 to the Satellite Contract (EchoStar VII - 119 degree West Longitude) dated February 7, 2002, between Lockheed Martin Corporation and EchoStar Orbital Corporation.
10.4+	Contract Amendment No. 1 to the Launch Services contract, dated January 10, 2002, between Lockheed Martin's International Launch Services and EchoStar Orbital Corporation.
10.5+	Memorandum OEM Manufacturing Agreement, dated January 9, 2002, between EchoStar Satellite Corporation, EchoStar Technologies Corporation and Thomson multimedia, Inc.
10.6+	Amendment No. 1 to Memorandum OEM Manufacturing Agreement, dated January 9, 2002, between EchoStar Satellite Corporation, EchoStar Technologies Corporation and Thomson multimedia, Inc.
10.7+	Amendment No. 2 to Memorandum OEM Manufacturing Agreement, dated January 9, 2002, between EchoStar Satellite Corporation, EchoStar Technologies Corporation and Thomson multimedia, Inc.
10.8+	Amendment No. 3 to Memorandum OEM Manufacturing Agreement, dated January 9, 2002, between EchoStar Satellite Corporation, EchoStar Technologies Corporation and Thomson multimedia, Inc.

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+ Filed herewith.

** Certain provisions have been omitted and filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment. A conforming electronic copy is being filed herewith.

(b) Reports on Form 8-K.

On January 10, 2002, we filed a Current Report on Form 8-K to report the financial information which gives effect to the retroactive adjustment of the Company's financial results for the periods from our original investment in StarBand Communications Inc during April 2000 to June 30, 2001, to give effect to the equity method of accounting adjustments resulting from the increase in our equity interest in StarBand.

On January 23, 2002, we filed a Current Report on Form 8-K to announce that on January 22, 2002, we closed the previously announced $1.5 billion Vivendi Universal equity investment in EchoStar in which Vivendi Universal received 5,760,479 newly issued shares of EchoStar Series D Mandatorily Convertible Participating Preferred Stock at an issue price of approximately $260.40 per share.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ECHOSTAR COMMUNICATIONS CORPORATION

By: /s/ David K. Moskowitz

David K. Moskowitz
Senior Vice President, General Counsel,
Secretary and Director
(Duly Authorized Officer)

By: /s/ Michael R. McDonnell

Michael R. McDonnell
Senior Vice President and
Chief Financial Officer
(Principal Financial Officer)

Date: May 2, 2002

EXHIBIT INDEX

EXHIBIT NUMBER DESCRIPTION - ------ ------ ----- 10.1+ Contingent Value Rights Agreement, dated January 22, 2002, between EchoStar Communications Corporation and Vivendi Universal, S. A. 10.2+ Registration Rights Agreement, dated January 22, 2002, between EchoStar Communications Corporation and Vivendi Universal, S. A. 10.3+ Modification No. 11 to the Satellite Contract (EchoStar VII - 119 degree West Longitude) dated February 7, 2002, between Lockheed Martin Corporation and EchoStar Orbital Corporation. 10.4+ Contract Amendment No. 1 to the Launch Services contract, dated January 10, 2002, between Lockheed Martin's International Launch Services and EchoStar Orbital Corporation. 10.5+ Memorandum OEM Manufacturing Agreement, dated January 9, 2002, between EchoStar Satellite Corporation, EchoStar Technologies Corporation and Thomson multimedia, Inc. 10.6+

Amendment No. 1 to Memorandum OEM Manufacturing Agreement, dated January 9, 2002, between EchoStar Satellite Corporation, EchoStar Technologies Corporation and Thomson multimedia, Inc. 10.7+

Amendment No. 2 to Memorandum OEM Manufacturing Agreement, dated January 9, 2002, between EchoStar Satellite Corporation, EchoStar Technologies Corporation and Thomson multimedia, Inc. 10.8+

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+ Filed herewith.

** Certain provisions have been omitted and filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment. A conforming electronic copy is being filed herewith.

EXHIBIT 10.1

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CONTINGENT VALUE RIGHTS AGREEMENT

between

ECHOSTAR COMMUNICATIONS CORPORATION,

and

VIVENDI UNIVERSAL, S.A.

Dated as of

January 22, 2002

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ARTICLE V

GENERAL PROVISIONS

CONTINGENT VALUE RIGHTS AGREEMENT (this "Agreement") dated as of January 22, 2002, between ECHOSTAR COMMUNICATIONS CORPORATION, a Nevada corporation (the "Company"), and VIVENDI UNIVERSAL, S.A., a societe anonyme organized under the laws of France (the "Investor").

WHEREAS, pursuant to the Investment Agreement dated as of December 14, 2001 (the "Investment Agreement"), between the Company and the Investor, and as a condition to the willingness of the Investor to enter into the Investment Agreement, the Company has agreed to issue and deliver to the Investor, upon consummation of the transactions contemplated by the Investment Agreement, one contingent value right having the terms set forth in this Agreement (the "CVRs") for each share of Class A common stock, par value $0.01 per share, of the Company ("Class A Common Stock", which term shall include any class of capital stock of the Company into which the Class A Common Stock may be reclassified, converted or exchanged as contemplated by Section 1.06) issuable upon the conversion of shares of Series D mandatorily convertible participating preferred stock, par value $0.01 per share, of the Company (the "Preferred Stock") purchased by the Investor pursuant to the Investment Agreement;

WHEREAS the Company has duly authorized the creation and issue of the CVRs, and to provide therefor the Company has duly authorized the execution and delivery of this Agreement; and

WHEREAS, all things necessary have been done to make the CVRs the valid obligations of the Company and to make this Agreement a valid agreement of the Company, in each case in accordance with the terms of this Agreement.

NOW, THEREFORE, in consideration of the premises and the consummation of the transactions contemplated by this Agreement and the Investment Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

Terms of the CVRs

SECTION 1.01. Issuance and Delivery of the CVRs; Form of CVRs. Effective upon the consummation of the issuance, sale and delivery of the Preferred Stock to the Investor pursuant to the Investment Agreement, there shall be issued and delivered to the Investor pursuant to this Agreement, without any further action on the part of the Company or the Investor, that number of CVRs as is equal to the number of shares of Class A Common Stock into which the Preferred Stock is convertible as of the closing date of the purchase and sale pursuant to the Investment Agreement (the "Initial CVR Amount"). The CVRs shall be in uncertificated form and shall be evidenced by Schedule I hereto, and the number of CVRs initially indicated on Schedule I shall be equal to the Initial CVR Amount. The number of CVRs indicated on Schedule I as being outstanding and owned by the Investor or its wholly owned subsidiaries shall be adjusted from time to time (i) in accordance with Section 1.04, based on sales of Class A Common Stock by the Investor or its wholly owned subsidiaries and (ii) pursuant to the provisions of Section 1.06. The number of CVRs indicated on Schedule I shall be considered to be "held" by the Investor or its wholly owned subsidiary and "outstanding", notwithstanding the fact that the CVRs are in uncertificated form.

The Company acknowledges that pursuant to Section 7.01(a) of the Investment Agreement, the Investor has assigned the right to receive the CVRs to Financiere De Videocommunication, its indirect wholly owned subsidiary.

SECTION 1.02. Maturity Date; CVR Payment Calculation. The Company shall pay to the Investor on the date (the "Maturity Date") that is the earliest to occur of:

(i) 36 months following the consummation of the merger (the "Merger") provided for in Article I of the Agreement and Plan of Merger dated as of October 28, 2001, by and between the Company and Hughes Electronics Corporation, a Delaware corporation ("Hughes"), as amended as of the date of this Agreement (as it may be amended from time to time, the "Merger Agreement");

(ii) 30 months following the acquisition by the Company of all of Hughes's indirect equity interests in PanAmSat Corporation, a Delaware corporation ("PanAmSat"), pursuant to the terms of the Stock Purchase Agreement dated as of October 28, 2001, among the Company, Hughes, Hughes Communications Galaxy, Inc., Hughes Communications Satellite Services, Inc. and Hughes Communications, Inc. (as it may be amended from time to time, the "PanAmSat Stock Purchase Agreement"); or

(iii) 30 months following the termination of the Merger Agreement and the termination of the PanAmSat Stock Purchase Agreement (with (a) any termination of the PanAmSat Stock Purchase Agreement by the Company upon written notice to the other parties thereto in accordance with the terms thereof being deemed a termination thereof, (b) any termination of the PanAmSat Stock Purchase Agreement by mutual agreement of Hughes and the Company in accordance with the terms thereof being deemed a termination thereof and (c) any purported termination of the PanAmSat Stock Purchase Agreement by Hughes upon written notice to the Company in accordance with the terms thereof being deemed a termination thereof, unless as promptly as practicable after the Company's receipt of Hughes's notice purporting to terminate the PanAmSat Stock Purchase Agreement, the Company notifies Hughes in writing that it objects to such purported termination, in which case such purported termination shall not be deemed a termination of the PanAmSat Stock Purchase Agreement hereunder until the earliest to occur of (1) the date on which Company notifies Hughes in writing that the Company is no longer contesting such purported termination, (2) the date on which a court of competent jurisdiction issues a final, non-appealable order to the effect that Hughes's purported termination was in accordance with the terms of the PanAmSat Stock Purchase Agreement and (3) the date that is 30 months after the date of Hughes's written notice purporting to terminate the PanAmSat Stock Purchase Agreement) (such 30- or 36-month period, as applicable, being referred to as the "Protection Period"), for each outstanding CVR held by the Investor and its wholly owned subsidiaries on the Maturity Date, the amount (payable as set forth in Section 1.07), if any, as determined by the Company, by which (x) the Reference Price (as defined below) exceeds (y) the Volume Weighted Average Price (as defined below) of Class A Common Stock for the 20 trading days ended five trading days prior to the Maturity Date (the "20-Day Average Price"); provided, however, that the maximum payment in respect of each CVR shall be (i) if on or prior to the Maturity Date, the Merger has been consummated, an amount equal to 15% of the Reference Price and (ii) if on the Maturity Date, the Merger has not been consummated, an amount equal to 35% of the Reference Price (such 15% amount or 35% amount, as applicable, the "Payment Cap"), and, upon the payment in full of any such amount, all of the CVRs then outstanding and this Agreement shall thereupon automatically terminate and become null and void without any further action on the part of any party hereto, and the holders thereof and the parties hereto shall have no further rights with respect thereto or hereto. Such determination by the Company absent manifest error shall be final and binding on the Company and the Investor. The term "Reference Price" shall mean $26.0395, which amount shall be subject to adjustment from time to time as set forth in Section 1.06, and all references in this Agreement, whether or not expressly so stated, shall be to the Reference Price then in effect. The term "Volume Weighted Average Price" shall mean, with respect to the Class A Common Stock on any trading day, the volume weighted average price per share for the regular trading session (defined as 9:30 a.m. through 4:00 p.m., Eastern Time) during such trading day, as published by Bloomberg (or its successor corporation) on page "AQR" (or its successor page), or if not published by Bloomberg (or its successor corporation), on such national securities market or exchange upon which the volume weighted average price per share for the Class A Common Stock is reported for such trading day, or if the volume weighted average price per share for the Class A Common Stock is not reported on a national securities market or exchange for such trading day, as determined in good faith by the board of directors of the Company.

SECTION 1.03. Roll-Over of the CVRs Upon Consummation of the Merger; Change of Control Transactions During the Protection Period. (a) Roll-Over Upon Merger. Upon consummation of the Merger, this Agreement and the CVRs shall become obligations of the surviving corporation in the Merger (the "Surviving Corporation"), and at all times thereafter all references herein (i) to Class A Common Stock, shall be deemed to be references to the Class A common stock, par value $0.01 per share, of the Surviving Corporation into which each share of Class A Common Stock shall be converted at the effective time of the Merger and (ii) to the Company, shall be to the Surviving Corporation.

(b) Change of Control Transactions; Acceleration Election. If at any time during the Protection Period the Company proposes to enter into a Change of Control Transaction (as defined below), the Company shall, as soon as practicable following the first public disclosure of such Change of Control Transaction but in no event less than five business days prior to the consummation thereof (or such lesser period as the Company has knowledge of the proposed consummation), provide written notice to the Investor of its intention to enter into such Change of Control Transaction, which notice shall specify the date on which such Change of Control Transaction is expected to be consummated. If the Investor so elects by providing written notice (an "Acceleration Election") to the Company no more than two business days prior to the expected date of consummation of such Change of Control Transaction (as specified in the Company's notice to the Investor), the Company shall pay to the Investor on the date of consummation of such Change of Control Transaction (the "Change of Control Date"), for each outstanding CVR held by the Investor and its wholly owned subsidiaries on the Change of Control Date, the amount (payable as set forth in Section 1.07), if any, as determined by the Company, by which (x) the Reference Price exceeds (y) the 20-Day Average Price (with the 20-Day Average Price calculated as if the Change of Control Date were the Maturity Date), subject to the Payment Cap, and, upon the payment in full of any such amount, all of the CVRs then outstanding and this Agreement shall thereupon automatically terminate and become null and void without any further action on the part of any party hereto, and the holders thereof and the parties hereto shall have no further rights with respect thereto or hereto. Such determination by the Company absent manifest error shall be final and binding on the Company and the Investor. If the Investor does not make an Acceleration Election, the terms of Article IV shall, if applicable, apply by their terms to such Change of Control Transaction. The term "Change of Control Transaction" shall mean any merger, consolidation, tender offer, statutory share exchange or sale, lease or transfer of all or substantially all of the Company's assets or similar transaction or group of related transactions, in each case to which the Company is a party (or, in the case of a tender offer, in which capital stock of the Company is the subject security), the consummation of which results in a Change of Control (as defined below); provided that (a) neither the Merger nor any of the transactions provided for by the Merger Agreement or the other Transaction Agreements (as such term is defined in the Implementation Agreement dated as of October 28, 2001, among the Company, Hughes and General Motors Corporation, a Delaware corporation, as amended as of the date of this Agreement and as it may be amended from time to time), shall constitute a Change of Control Transaction; and (b) the consummation of the transactions contemplated by the PanAmSat Stock Purchase Agreement, including any issuance of shares of Class A Common Stock in connection therewith, shall not constitute a Change of Control Transaction. The term "Change of Control" shall mean (a) any transaction or series of related transactions (including a tender offer, merger or consolidation) the result of which is that holders of outstanding voting capital stock of the Company immediately prior to such transaction or series of related transactions hold, directly or indirectly, capital stock of the surviving person in such transaction or series of related transactions (or any ultimate parent thereof) representing less than 50% of the voting power in the election of members of the board of directors (or comparable governing body) of all outstanding capital stock of such surviving person (or such ultimate parent) immediately after such transaction or series of related transactions; or (b) the sale, lease or transfer of all or substantially all of the Company's assets to any "person" or "group", within the meaning of Section 13(d)(3) and 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or any successor provision to either of the foregoing, including any group acting for the purpose of acquiring, holding or disposing of securities within the meaning of Rule 13d-5(b)(1) under the Exchange Act, other than to any subsidiary or subsidiaries of the Company.

SECTION 1.04. CVRs Not Transferable. The CVRs shall not be transferable other than from the Investor to a wholly owned subsidiary of the Investor or from a wholly owned subsidiary of the Investor to the Investor or another wholly owned subsidiary of the Investor. Upon the sale, transfer or other disposition by the Investor or a wholly owned subsidiary of the Investor (other than to the Investor or a wholly owned subsidiary of the Investor) of any shares of Class A Common Stock that were issued upon the conversion of shares of Preferred Stock or upon consummation of the Merger, that number of CVRs as is equal to the number of shares of Class A Common Stock so sold, transferred or otherwise disposed of shall thereupon automatically terminate and become null and void, and the Investor (or such wholly owned subsidiary) shall have no further rights with respect thereto.

SECTION 1.05. Early Termination of CVRs. If the Volume Weighted Average Price of the Class A Common Stock exceeds 120% of the Reference Price on each trading day for 90 consecutive calendar days (x) if the event the occurrence of which caused the Protection Period to commence was the consummation of the Merger in accordance with Section 1.02(i), at any time during the 30-month period beginning on the date that is six months after the date on which the Merger was consummated and ending on the Maturity Date and (y) if the commencement of the Protection Period was caused by the occurrence of the events listed in either Section 1.02(ii) or Section 1.02(iii), at any time during the Protection Period, in either such case all of the CVRs then outstanding and this Agreement shall thereupon automatically terminate and become null and void without any further action on the part of any party hereto, and the holders thereof and the parties hereto shall have no further rights with respect thereto or hereto.

SECTION 1.06. Antidilution. If the Company shall at any time (whether before or after consummation of the Merger) in any manner subdivide (by stock split, stock dividend or otherwise) or combine (by reverse stock split or otherwise) the number of outstanding shares of Class A Common Stock or effect a merger, consolidation, statutory share exchange or other similar transaction in which shares of Class A Common Stock are reclassified, converted into or exchanged for a different number of shares of Class A Common Stock or shares of capital stock of a different class, the number of outstanding CVRs shall thereupon automatically be similarly subdivided, combined or changed and the Reference Price shall thereupon automatically be appropriately adjusted (in the case of a merger, consolidation, statutory share exchange or other similar transaction, based on the relevant exchange ratio). Upon consummation of the Merger, the number of outstanding CVRs and the Reference Price will automatically be adjusted to reflect the exchange of Class A Common Stock for Class A Common Stock of the Surviving Corporation based on the following formulas:

(i) the number of CVRs shall be adjusted by multiplying the number of outstanding CVRs immediately prior to the consummation of the Merger by the Class A Exchange Ratio (as such term is defined in the Merger Agreement); and

(ii) the Reference Price shall be adjusted by dividing the Reference Price in effect immediately prior to the consummation of the Merger by the Class A Exchange Ratio (as such term is defined in the Merger Agreement).

SECTION 1.07. Payment Terms. Payments of any amounts in respect of the CVRs shall be made, in the Company's sole discretion, subject to Section 2.02, (i) in cash by wire transfer of immediately available funds to a bank account designated in writing by the Investor, (ii) by the issuance and delivery to the Investor of the number of shares of Class A Common Stock obtained by dividing (x) the payment amount by (y) the product of (I) the 20-Day Average Price applicable to such payment and (II) 0.95 or (iii) in cash and shares of Class A Common Stock (with the number of shares of Class A Common Stock to be issued and delivered being determined by subtracting from the total payment amount the amount paid in cash and dividing that amount by the product of (I) the 20-Day Average Price applicable to such payment and (II) 0.95). No fractional shares of Class A Common Stock shall be issued to any holder of CVRs in respect of any payment made in the form of shares of Class A Common Stock. Instead of any fractional shares of Class A Common Stock that would otherwise be issuable to any such holder, the Company shall pay to such holder in respect of such fractional interest in an amount in cash equal to the product of (x) such fractional interest and (y) the 20-Day Average Price applicable to such payment.

SECTION 1.08. No Interest on CVR Payments. Other than in the case of interest on the Default Amount (as defined in Section 3.01) with respect to any CVR, which shall be calculated in accordance with Section 3.01, no interest shall accrue on any amounts payable with respect to the CVRs.

SECTION 1.09. Determination that No Payment is Due. If the Company determines that no amount is payable with respect to the CVRs to the holders thereof on the Maturity Date, the Change of Control Date (if an Acceleration Election shall have been made by the Investor with respect thereto) or the Default Payment Date (as defined in Section 3.01), as the case may be, the Company shall give written notice of such determination to the Investor. Upon making such determination, absent manifest error, the CVRs and this Agreement shall terminate and become null and void without any further action on the part of any party hereto, and the holders thereof and the parties hereto shall have no further rights with respect thereto or hereto. The failure to give such notice or any defect therein shall not affect the validity of such determination.

ARTICLE II

Covenants

SECTION 2.01. Payment of Amounts, if any, to Holders of CVRs. The Company will duly and punctually pay the amounts, if any, in the manner provided for in Section 1.07, payable with respect to the CVRs in accordance with the terms of this Agreement.

SECTION 2.02. Reservation of Class A Common Shares. The Company shall be permitted to pay any amounts in respect of CVRs in shares of Class A Common Stock pursuant to Section 1.07 only if (i) it has reserved for issuance and delivery upon maturity or early settlement of the CVRs such number of shares of Class A Common Stock as shall be issuable upon maturity or early settlement of the CVRs and (ii) the Investor shall have received an opinion from counsel to the Company, dated the date of such issuance and delivery and addressed to the Investor, in form and substance reasonably acceptable to the Investor, as to the validity of the securities so issued and delivered. All such shares of Class A Common Stock shall be duly authorized and, when issued, shall be validly issued, fully paid and nonassessable, free and clear of all liens, security interests, charges and other encumbrances, and will not have been issued in violation of any preemptive or similar rights.

SECTION 2.03. Antimanipulation. (a) During the period commencing 180 calendar days prior to the Maturity Date and ending on the date that is 30 trading days prior to the Maturity Date (the "Limited Sale Period"), in addition to any restrictions on sales arising under the federal securities laws or other applicable laws, the Investor shall not, and shall not permit any of its subsidiaries or controlled affiliates to, sell (including any constructive sale by means of a hedging, derivative or similar transaction) shares of Class A Common Stock (i) on any trading day (x) on which the opening bid with respect to the Class A Common Stock is lower than the closing price on the preceding trading day by 2% or more or $0.50 or more, whichever is more restrictive or (y) in an amount greater than the sum of (I) 3.75% of the trading volume of the Class A Common Stock on the preceding trading day and (II) 3.75% of the trading volume of the Class A Common Stock during the first half of the trading day on the date of sale or (ii) during the last hour of trading on any trading day. In addition, all sales of Class A Common Stock by the Investor and its subsidiaries and controlled affiliates during the Limited Sale Period (i) shall comply with the volume limitations required by Rule 144 under the Securities Act of 1933, as amended (the "Securities Act"), (ii) shall be effected by means of "brokers' transactions" (as such term is used in Rule 144 under the Securities Act), (iii) shall not constitute the opening transaction in the security on any trading day and (iv) shall not be at a price that is less than the prevailing market price (the lowest current independent published bid).

(b) During the period commencing 30 trading days prior to the Maturity Date and ending on the Maturity Date (the "Restricted Period"), (i) the Investor shall not, and shall not permit any of its subsidiaries or controlled affiliates to, sell (including any constructive sale by means of a hedging, derivative or similar transaction), in open market transactions, privately negotiated transactions or otherwise, any Class A Common Stock and (ii) the Company shall not, and shall not permit any of its subsidiaries or controlled affiliates to, repurchase or redeem (or publicly announce an intention or plan to repurchase or redeem), or otherwise acquire, in open market purchases, privately negotiated transactions or otherwise, any Class A Common Stock or Class C common stock, par value $0.01 per share, of the Surviving Corporation (the "Class C Common Stock"), or any securities convertible into or exchangeable for, Class A Common Stock or Class C Common Stock, other than privately negotiated repurchases or redemptions of Class C Common Stock.

(c) Notwithstanding anything to the contrary in this Section 2.03, the Investor and its affiliates shall be permitted to sell Class A Common Stock (i) during the Restricted Period or (ii) in an amount greater than that permitted during the Limited Sale Period, in each case if the Investor gives the Company at least 3 business days prior notice of its intention to do so. Upon the first to occur of any sales that are the subject of such notice or any such sales for which notice is not provided in violation of this Section 2.03(c), all of the CVRs then outstanding and this Agreement shall thereupon automatically terminate and become null and void without any further action on the part of any party hereto, and the holders thereof and the parties hereto shall have no further rights with respect thereto or hereto.

SECTION 2.04. Certain Notices. (a) Subject to Section 2.03(c), as soon as practicable after the Investor or any of its wholly owned subsidiaries has sold, transferred or otherwise disposed of any Class A Common Stock, the Investor shall inform the Company of such sale, transfer or other disposition by written notice in substantially the form attached as Exhibit A hereto. Schedule I hereto shall thereupon be adjusted to reduce the number of outstanding CVRs in accordance with Section 1.04.

(b) Whenever an adjustment is made pursuant to Section 1.06, the Company shall promptly prepare a certificate setting forth such adjustment and a brief statement of the facts accounting for such adjustment and shall as promptly as practicably thereafter deliver such certificate to the Investor. Any such adjustment absent manifest error shall be final and binding on the Company and the Investor. Schedule I hereto shall thereupon be adjusted to indicate the number of outstanding CVRs after giving effect to such subdivision, combination or change, and to indicate the Reference Price then in effect.

(c) If an early termination of the CVRs occurs pursuant to, and in accordance with, the provisions of Section 1.05, the Company shall promptly provide the Investor with written notice of such occurrence, together with all information reasonably necessary for the Investor to confirm such occurrence.

(d) Notwithstanding anything to the contrary in this Section 2.04, any reduction in the number of outstanding CVRs in accordance with Section 1.04, any adjustment to the number of outstanding CVRs or the Reference Price in accordance with Section 1.06, or any early termination of the CVRs in accordance with Section 1.05 shall, in each case, automatically occur upon the happening of the event giving rise to such reduction, adjustment or termination, regardless of whether the Company has received or given notice of such event or revised Schedule I as provided for in this Section 2.04.

ARTICLE III

Remedies of the Holders of CVRs on Event of Defaults

SECTION 3.01. Event of Default Defined; Acceleration of Maturity. "Event of Default", with respect to CVRs, means any one of the following events which shall have occurred and be continuing (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) the Company shall default in the payment of all or any part of the amounts payable in respect of the CVRs as and when the same shall become due and payable either at the Maturity Date, or the Change of Control Date or otherwise; or

(b) a court of competent jurisdiction shall enter a decree or order for relief in respect of the Company in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee or sequestrator (or similar official) of the Company or for any substantial part of its property or ordering the winding up or liquidation of its affairs, and such decree or order shall remain unstayed and in effect for a period of 60 days; or

(c) the Company shall commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consent to the entry of an order for relief in an involuntary case under any such law, or consent to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee or sequestrator (or similar official) of the Company or for any substantial part of its property, or make any general assignment for the benefit of creditors.

If an Event of Default occurs and is continuing, then, and in each and every such case, unless all of the CVRs shall have already become due and payable or have expired or terminated, the Investor by notice in writing to the Company may declare all CVRs then outstanding to be due and payable immediately (the date of such notice being the "Default Payment Date"), and upon any such declaration the Default Amount (as defined below) for each such CVR shall become immediately due and payable and, thereafter, shall bear interest, calculated at the interest rate from time to time announced by Citibank, N.A., as its prime rate plus 2%, until payment is made to the Investor on behalf of the holders of all CVRs then outstanding, and, upon the payment in full of any such amount, all of the CVRs then outstanding and this Agreement shall thereupon automatically terminate and become null and void without any further action on the part of any party hereto, and the holders thereof and the parties hereto shall have no further rights with respect thereto or hereto. The term "Default Amount" shall mean (i) with respect to an Event of Default described in clause (a) of the first sentence of this Section 3.01, the amount (payable as set forth in Section 1.07) that shall have become due and payable at the Maturity Date or the Change of Control Date, as the case may be and (ii) with respect to an Event of Default described in clauses (b) or (c) of the first sentence of this Section 3.01, the amount (payable as set forth in Section 1.07), if any, as determined by the Company (which determination absent manifest error shall be final and binding on the Company and the Investor), by which (x) the Reference Price exceeds (y) the 20-Day Average Price (with the 20-Day Average Price calculated as if the Default Payment Date were the Maturity Date), subject to the Payment Cap.

SECTION 3.02. Remedies Cumulative; Delay or Omission Not Waiver of Default. No right or remedy herein conferred upon the Investor is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy. No delay or omission of the Investor to exercise any right or power accruing upon any Event of Default occurring and continuing as set forth in Section 3.01 shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein.

ARTICLE IV

Other Change of Control Transactions

SECTION 4.01. Company May Merge, Etc. (a) If at any time prior to the beginning of the Protection Period the Company proposes to enter into a Change of Control Transaction in which the capital stock of the Company is exchanged for or changed into other stock or securities or the Investor does not make an Acceleration Election pursuant to Section 1.03 in connection with a Change of Control Transaction during the Protection Period, the Company shall not consummate such Change of Control Transaction, unless:

(i) the surviving person in such Change of Control Transaction, or any ultimate parent thereof, if not the Company (the "Surviving Person"), is a corporation, partnership or trust organized and existing under the laws of the United States of America, any state thereof or the District of Columbia and expressly assumes the obligation to pay all amounts payable in respect of the CVRs and the performance of every covenant of this Agreement on the part of the Company to be performed or observed;

(ii) immediately after giving effect to such transaction and treating any indebtedness which becomes an obligation of the Surviving Person, the Company or any subsidiary of the Surviving Person or the Company as a result of such transaction as having been incurred by the Surviving Person, the Company or such subsidiary at the time of such transaction, no Event of Default shall have happened and be continuing; and

(iii) the Company has delivered to the Investor a certificate signed by the chief executive officer or the chief financial officer of the Company in his or her capacity as such an officer stating that such Change of Control Transaction complies with this Article IV and that all conditions precedent herein provided for relating to such transaction have been complied with.

(b) Nothing in this Section 4.01 shall affect the right of the Investor to make an Acceleration Election pursuant to Section 1.03 with respect to any Change of Control Transaction proposed during the Protection Period, and, if the Investor does not make such an Acceleration Election, the provisions of Section 1.06 shall apply to such Change of Control Transaction in accordance with their terms.

SECTION 4.02. Successor Substituted. Upon the consummation of any Change of Control Transaction in accordance with Section 4.01 in which the Company is not the surviving person in such Change of Control Transaction or the ultimate parent thereof, the Surviving Person shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Agreement with the same effect as if the Surviving Person had been named as the Company herein and, thereafter, the predecessor person shall be relieved of all obligations and covenants under this Agreement and the CVRs.

SECTION 4.03. Termination. This Agreement shall terminate and be of no further force and effect without any further action on the part of any party hereto automatically upon the termination of all outstanding CVRs in accordance with the terms hereof.

ARTICLE V

General Provisions

SECTION 5.01. Notices. All notices or other communications required or permitted to be given hereunder shall be in writing and shall be delivered by hand or sent by facsimile or sent, postage prepaid, by registered, certified or express mail or overnight courier service and shall be deemed given when so delivered by hand or facsimile, or if mailed, three days after mailing (one business day in the case of express mail or overnight courier service), as follows:

(i) if to the Investor,

Vivendi Universal
42, Avenue de Friedland
75380 Paris Cedex 08
France
Fax: 33-1-7171-1414

Attention: Mr. Guillaume Hannezo

with a copy to:

Cravath, Swaine & Moore
Worldwide Plaza
825 Eight Avenue New York, NY 10019
United States
Fax: 212-474-3700

Attention: Faiza J. Saeed; and

(ii) if to the Company,

EchoStar Communications Corporation
5701 South Sante Fe Drive
Littleton, CO 80120
Fax: 303-723-1699

Attention: David K. Moskowitz, General Counsel

with a copy to:

Sullivan & Cromwell
125 Broad Street
New York, NY 10004
Fax: 212-558-3588

Attention: Francis J. Aquila and John J. O'Brien

SECTION 5.02. Interpretation; Exhibits and Schedules; Certain Definitions. (a) The headings contained in this Agreement, in any Annex, Exhibit or Schedule hereto and in the table of contents to this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. All Annexes, Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Annex, Schedule or Exhibit but not otherwise defined therein, shall have the meaning as defined in this Agreement. When a reference is made in this Agreement to a Section, Annex, Exhibit or Schedule, such reference shall be to a Section of, or an Annex, Exhibit or Schedule to, this Agreement unless otherwise indicated.

(b) For all purposes hereof:

"affiliate" of any person means another person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such first person.

"control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise.

"including" means including, without limitation.

"person" means any individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, governmental authority or other entity of whatever nature.

"subsidiary" of any person means another person, an amount of the voting securities, other voting rights or voting partnership interests of which is sufficient to elect at least a majority of its board of directors or other governing body (or, if there are no such voting interests, 50% or more of the equity interests of which) is owned directly or indirectly by such first person.

SECTION 5.03. Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more such counterparts have been signed by each of the parties and delivered to the other parties.

SECTION 5.04. Severability. This Agreement shall be deemed severable, and the invalidity or unenforceability of any term or provision hereof shall not affect the validity or enforceability of this Agreement or of any other term or provision hereof. Furthermore, in lieu of any such invalid or unenforceable term or provision, the parties hereto intend that there shall be added as a part of this Agreement a provision as similar in terms to such invalid or unenforceable provision as may be possible and be valid and enforceable.

SECTION 5.05. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York regardless of the laws that might otherwise apply under applicable principles of law thereof.

SECTION 5.06. Amendments and Waivers. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto. By an instrument in writing, the Investor, on the one hand, or the Company, on the other hand, may waive compliance by the other with any term or provision of this Agreement that such other party was or is obligated to comply with or perform.

IN WITNESS WHEREOF, the Company and the Investor have duly executed this Agreement as of the date first written above.

ECHOSTAR COMMUNICATIONS
CORPORATION,

By: /s/ David K. Moskowitz

Name: David K. Moskowitz
Title: Senior Vice President
and General Counsel

VIVENDI UNIVERSAL, S.A.,

By: /s/ Jean-Marie Messier

Name: Jean-Marie Messier
Title: Chairman and Chief
Executive Officer

EXHIBIT A

FORM OF NOTICE OF SALE

On [insert date], the Investor sold [insert number] shares of Class A Common Stock, which shares were issued to the Investor upon the conversion of shares of Preferred Stock or upon consummation of the Merger. The number of CVRs held by the Investor as indicated on Schedule I to the Contingent Value Rights Agreement dated as of /o/, between EchoStar Communications Corporation and Vivendi Universal, S.A. (the "CVR Agreement") should, accordingly, be reduced by the number of shares of Class A Common Stock indicated above as having been sold, in accordance with Section 1.04 of the CVR Agreement. Terms used but not defined herein have the meanings ascribed thereto in the CVR Agreement.

Very truly yours,

VIVENDI UNIVERSAL, S.A.,

by

Name:
Title:

SCHEDULE I

OUTSTANDING CVRs

I. Initial CVR Amount: 57,604,790

II. Adjustments

Adjustments
for Date
of Number
of Shares
of
Adjustments
Sales of
Class A
Notice of
Class A
Common
Pursuant
to Number
of CVRs
Reference
Common
Stock Sale
Stock Sold
Section
1.06
Outstanding
Price - --

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EXHIBIT 10.2

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REGISTRATION RIGHTS AGREEMENT

between

ECHOSTAR COMMUNICATIONS CORPORATION,

and

VIVENDI UNIVERSAL, S.A.

Dated as of

January 22, 2002

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TABLE OF CONTENTS

REGISTRATION RIGHTS AGREEMENT (this "Agreement"), dated as of January 22, 2002, between ECHOSTAR COMMUNICATIONS CORPORATION, a Nevada corporation (the "Company"), and the Holders, as defined herein.

WHEREAS, pursuant to the Investment Agreement dated as of December 14, 2001 (the "Investment Agreement"), between the Company and Vivendi Universal, S.A., a societe anonyme organized under the laws of France (the "Investor"), and as a condition to the willingness of the Investor to consummate the transactions contemplated by the Investment Agreement, the Company has agreed to grant to the Holders (as defined below) certain registration rights with respect to their respective Registrable Securities (as defined below).

NOW, THEREFORE, in consideration of the premises and the consummation of the transactions contemplated by this Agreement and the Investment Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

Definitions

SECTION 1.01. Definitions.

The following terms, when used in this Agreement, shall have the following meanings:

"affiliate" of any person means another person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the first person.

"Board of Directors" means the Board of Directors of the Company or any duly authorized committee of that board.

"Class A Common Stock" means the Class A common stock, par value $0.01 per share, of the Company.

"Commission" means the Securities and Exchange Commission or any successor governmental body or agency.

"control" (including the terms "controlling," "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise.

"CVR Agreement" means the Contingent Value Rights Agreement dated as of January 22, 2002, between the Company and the Investor.

"Demand Registration" has the meaning ascribed thereto in Section 2.02(a)(i).

"Demand Request" has the meaning ascribed thereto in Section 2.02(a).

"Disadvantageous Condition" has the meaning ascribed thereto in Section 2.04.

"Effective Period" means the period from the date on which the Merger Agreement is terminated in accordance with its terms until the first date on which all Registrable Securities are eligible for sale in their entirety pursuant to Rule 144 in a 150-day period, based on the then average trading volume of such Registrable Securities.

"Governmental Authority" means any federal, state or local court or governmental or regulatory agency or authority or applicable stock exchange or trading market.

"Holder" means a person who owns Registrable Securities and is:

(i) the Investor;

(ii) a wholly owned subsidiary of the Investor; or

(iii) any transferee which has acquired from the Investor or a wholly owned subsidiary of the Investor (x) Class A Common Stock that represented 20% or more of the Class A Common Stock issuable upon conversion of all the Preferred Stock (defined below) on the date of issuance of such Preferred Stock, as adjusted for stock splits, combinations, subdivisions and other similar changes to the capital structure of the Company; plus, at any time after the Maturity Date, the Change of Control Date or the Default Payment Date, as applicable (each as defined in the CVR Agreement) (y) at least 20% of the Class A Common Stock, if any, issued pursuant to the settlement of the contingent value rights issued pursuant to the CVR Agreement (the "CVRs").

"Inspectors" has the meaning ascribed thereto in Section 2.06(h).

"Investment Agreement" has the meaning ascribed thereto in the recitals of this Agreement.

"1933 Act" means the Securities Act of 1933, as amended.

"1934 Act" or "Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Merger Agreement" means the Agreement and Plan of Merger dated as of October 28, 2001, by and between the Company and Hughes Electronics Corporation, a Delaware corporation, as it may be amended from time to time.

"person" means any individual, firm, corporation, partnership, limited liability company, trust, joint venture, Governmental Entity or other entity.

"Piggy-back Registration" has the meaning ascribed thereto in Section 2.01(a).

"Preferred Stock" means the Series D mandatorily convertible participating preferred stock, par value $0.01 per share, issued pursuant to the Investment Agreement.

"Records" has the meaning ascribed thereto in Section 2.06(h).

"Registrable Securities" means Class A Common Stock (x) issued or issuable upon conversion of any Preferred Stock issued pursuant to the transactions contemplated by the Investment Agreement, or (y) Class A Common Stock issued pursuant to the settlement of the CVRs pursuant to the CVR Agreement.

As used in this definition of Registrable Securities, (A) the term "Class A Common Stock" shall include any shares of stock or other securities into which or for which shares of Class A Common Stock may hereafter be changed, converted or exchanged and any other shares or securities issued to holders of Class A Common Stock (or such shares of stock or other securities into which or for which shares of Class A Common Stock are so changed, converted or exchanged) upon any reclassification, share combination, share subdivision, share dividend, share exchange, merger, consolidation or similar transaction or event and (B) the term "Preferred Stock" shall include any shares of stock or other securities into which or for which shares of Preferred Stock may hereafter be changed, converted or exchanged and any other shares or securities issued to holders of Preferred Stock (or such shares of stock or other securities into which or for which shares of Preferred Stock are so changed, converted or exchanged) upon any reclassification, share combination, share subdivision, share dividend, share exchange, merger, consolidation or similar transaction or event.

As to any particular Registrable Securities, such Registrable Securities shall cease to be Registrable Securities as soon as (A) such Registrable Securities have been sold or otherwise disposed of pursuant to a registration statement that was filed with the Commission in accordance with this Agreement and declared effective under the 1933 Act, (B) based on an opinion of counsel reasonably acceptable to the Company and the Holder of such Registrable Securities, such Registrable Securities are eligible for sale in their entirety pursuant to Rule 144 in a 150-day period, based on the then average trading volume of such Registrable Securities, (C) such Registrable Securities shall have been otherwise sold, transferred or disposed of by a Holder to any person that is not a Holder or (D) such Registrable Securities shall have ceased to be outstanding.

"Registration Expenses" means any and all expenses incident to the Company's performance of or compliance with the provisions of this Agreement, including (i) the fees, disbursements and expenses of the Company's counsel and accountants (including in connection with the delivery of opinions and comfort letters); (ii) all expenses and fees of compliance with securities and blue sky laws; (iii) all expenses and fees, including filing fees, in connection with the preparation, printing and filing of one or more registration statements (and amendments thereto) pursuant to this Agreement; (iv) the cost of producing or printing any agreements among underwriters and underwriting agreements and any blue sky memoranda and legal investment memoranda; (v) the expenses and fees, including filing fees, incident to securing any required review by the National Association of Securities Dealers, Inc. of the Registrable Securities to be disposed of or the terms of any disposition of Registrable Securities; (vi) all fees and expenses payable in connection with the quotation of any Registrable Securities on any automated interdealer quotation system or the listing of any Registrable Securities on any securities exchange on which the Class A Common Stock is then quoted or listed; (vii) all transfer agents' and registrars' expenses and fees in connection with any offering or disposition of Registrable Securities; (viii) all security engraving and security printing expenses; (ix) all messenger and delivery expenses and fees; provided, however, that Registration Expenses shall exclude (w) all transfer taxes, if any, relating to the sale or disposition of the Registrable Securities; (x) all underwriting discounts and underwriting commissions, if any, in connection with the sale of any Registrable Securities; (y) the fees and expenses of counsel and other advisors for any Holder and (z) all out-of-pocket expenses of the underwriters, if any, including fees and expenses of counsel for the underwriters.

"Rule 144" means Rule 144 (or any successor rule to similar effect) promulgated under the 1933 Act.

"Section 2.04 Period" has the meaning ascribed thereto in Section 2.04.

"Section 2.06(e) Period" has the meaning ascribed thereto in Section 2.06(e).

"Selling Holder" means any Holder who sells Registrable Securities pursuant to a public offering registered pursuant to this Agreement.

Internal References. Unless the context indicates otherwise, references to Articles, Sections and paragraphs shall refer to the corresponding articles, sections and paragraphs in this Agreement, and references to the parties shall mean the parties to this Agreement.

ARTICLE II

Registration Rights

SECTION 2.01. Piggy-Back Registration. (a) Whenever during the Effective Period the Company shall propose to file a registration statement under the 1933 Act relating to its Class A Common Stock (other than pursuant to a registration statement on Form S-4 (or any other registration statement registering shares to be issued in a merger, consolidation, acquisition or similar transaction) or Form S-8 or any successor forms, or an offering of securities in connection with an exchange offer to existing stockholders or otherwise pursuant to a dividend reinvestment plan, stock purchase plan or other employee benefit plan), whether or not for its own account, the Company shall (i) provide a written notice at least 30 days prior to the filing thereof to each Holder, specifying the approximate date on which the Company proposes to file such registration statement and advising such Holder of its right to have any or all (subject to Section 2.01(b)) of the Registrable Securities held by such Holder included among the securities to be covered thereby and (ii) at the written request of any such Holder received by the Company within 20 days after the date of such written notice from the Company, include (subject to Section 2.01(b) and such Holder's compliance with Section 2.11(c)) among the securities covered by such registration statement the number of Registrable Securities that such Holder shall have requested be so included (a "Piggy-back Registration"). The Company shall require the lead or managing underwriter, if any, of any proposed underwritten offering to permit the

Holders of Registrable Securities requested to be covered by the registration statement for such offering to include (subject to Section 2.01(b) and such Holder's compliance with Section 2.11(c)) such securities in such offering on the same terms and subject to the same conditions as any similar securities included therein; provided, however, that the Company shall not be required under this Section 2.01(a) to use any efforts to cause any lead or managing underwriter of any such offering to permit any such Holder to include any such securities in such offering unless such Holder accepts the terms of any underwriting agreed upon between the Company (and any other Holder whose securities are included in such offering) and such underwriter (and any other underwriter) and performs such Holder's obligations thereunder.

(b) Each Holder of Registrable Securities desiring to participate in a Piggy-back Registration may include shares of Class A Common Stock in any registration statement relating to such offering to the extent that the inclusion of such shares of Class A Common Stock shall not reduce the number of shares of Class A Common Stock to be offered and sold by the Company pursuant thereto. If the Company or lead or managing underwriter for an underwritten offering pursuant to Section 2.01(a) determines that marketing factors require a limitation on the number of shares of Class A Common Stock to be offered and sold by the stockholders of the Company in such offering, there shall be included in the offering only that number of shares of Class A Common Stock of stockholders of the Company that the Company or such lead or managing underwriter reasonably and in good faith believes will not jeopardize the success of the offering of all the shares of Class A Common Stock that the Company desires to sell for its own account (including a material reduction in the price per share of the shares of Class A Common Stock to be sold).

In such event, and provided the lead or managing underwriter has so notified the Company in writing (if applicable), the number of shares of Class A Common Stock to be offered and sold by stockholders of the Company, including Holders of Registrable Securities desiring to participate in such offering, shall be allocated among such stockholders of the Company pro rata on the basis of the relative number of shares requested to be included therein by each such stockholder.

(c) Nothing in this Section 2.01 shall create any liability on the part of the Company to the Holders of Registrable Securities if the Company for any reason should decide not to file a registration statement proposed to be filed pursuant to Section 2.01(a) or to withdraw a registration statement filed pursuant to Section 2.01(a) subsequent to its filing, regardless of any action whatsoever that a Holder may have taken, whether as a result of the issuance by the Company of any notice under this Section 2.01 or otherwise; provided that the Investor shall be entitled to initiate or continue such registration as a Demand Registration pursuant to Section 2.02 following such failure to file or withdrawal to the extent that such registration by the Investor would otherwise satisfy the requirements of Section 2.02 and provided further that the Company shall be obligated to pay all Registration Expenses to the extent incurred in connection with any such registration statement proposed to be filed or withdrawn subsequent to its filing.

(d) A request by Holders to include Registrable Securities in a proposed underwritten offering pursuant to Section 2.01(a) shall not be deemed to be a request for a Demand Registration.

SECTION 2.02. Demand Registration. (a) Upon written notice to the Company from the Investor at any time during the Effective Period (the "Demand Request") requesting that the Company effect the registration under the 1933 Act of any or all of the Registrable Securities held by the Investor or any other Holder, which notice shall specify the intended method or methods of disposition of such Registrable Securities, the Company shall prepare and, as promptly as is practicable, and in any event within 60 days after such request, file with the Commission a registration statement with respect to such Registrable Securities and thereafter use its best efforts to cause such registration statement to be declared effective under the 1933 Act for purposes of dispositions in accordance with the intended method or methods of disposition stated in such request. Notwithstanding any other provision of this Agreement to the contrary:

(i) the Investor may exercise its rights to request registration in respect of Registrable Securities held by the Investor or any other Holder under this Section 2.02(a) on not more than four occasions (each such registration being referred to herein as a "Demand Registration"); and

(ii) the Company shall not be required to effect more than one Demand Registration in any calendar year.

(b) Notwithstanding any other provision of this Agreement to the contrary, a Demand Registration requested by the Investor pursuant to this Section 2.02 shall not be deemed to have been effected, and, therefore, not requested and the rights of the Investor shall be deemed not to have been exercised for purposes of Section 2.02(a), (i) if the Investor has not received notice (confirmed by the Commission) that such Demand Registration has become effective under the 1933 Act or (ii) if such Demand Registration, after it became effective under the 1933 Act, was not maintained effective under the 1933 Act (other than as a result of any stop order, injunction or other order or requirement of the Commission or other Governmental Entity solely on the account of a material misrepresentation or omission of the Investor) for at least 120 days (or such shorter period ending when all the Registrable Securities covered thereby have been disposed of pursuant thereto (but in no event before the expiration of the 90-day period referred to in Section 4(3) of the 1933 Act and Rule 174 promulgated thereunder, if applicable)).

The time periods referred to in the preceding sentence shall be extended, with respect to any Demand Registration, by the number of days in any Section 2.04 Period and/or Section 2.06(e) Period applicable to such Demand Registration.

If a Demand Request is made by the Investor during the Effective Period but the related Demand Registration shall be deemed not to have been exercised under the circumstances set forth in this Section 2.02(b), then the Investor shall be deemed not to have used one of its rights to request a Demand Registration under this Section 2.02 and shall continue to have such right.

(c) The Company shall have the same rights to piggy-back any shares of Class A Common Stock on a Demand Registration initiated pursuant to this Section 2.02 as a Holder of Registrable Securities would have in a Piggy-back Registration, and other stockholders of the Company may exercise any piggy-back registration rights granted to them by the Company with respect to such Demand Registration; provided however, that notwithstanding anything to the contrary in this Agreement, if the lead or managing underwriter referred to in Section 2.03 determines that marketing factors require a limitation on the number of shares of Class A Common Stock to be offered and sold pursuant to such Demand Registration, there shall be included in the offering only that number of shares of Class A Common Stock that such lead or managing underwriter reasonably and in good faith believes will not jeopardize the success of the offering (including a material reduction in the price per share of the Registrable Securities to be sold). In such event, the shares of Class A Common Stock to be included in such Demand Registration shall be apportioned (i) first, to any Registrable Securities that the Holders propose to sell in such Demand Registration, pro rata among such Holders on the basis of the relative number of Registrable Securities requested to be included therein by each such Holder, (ii) second, to any Class A Common Stock that the Company proposes to sell in such Demand Registration and (iii) third, among any shares of Class A Common Stock that other stockholders of the Company propose to sell in such Demand Registration, pro rata among such stockholders on the basis of the relative number of shares requested to be included therein by each such stockholder.

SECTION 2.03. Other Matters in Connection with Registrations. In the event that any Demand Registration shall involve, in whole or in part, an underwritten offering, the Investor shall have the right to designate an underwriter or underwriters as the lead or managing underwriter or underwriters of such underwritten offering, subject to the approval of Company, which approval shall not be unreasonably withheld.

SECTION 2.04. Certain Delay Rights. Notwithstanding any other provision of this Agreement to the contrary, if at any time while a registration statement relating to a Piggy-back Registration or a Demand Registration is effective, the Company provides written notice to each Holder of Registrable Securities covered by any such registration statement that the Board of Directors has determined, in its reasonable business judgment, that it would be materially disadvantageous to the Company (because the sale of Registrable Securities covered by such registration statement or the disclosure of information therein or in any related prospectus or prospectus supplement would materially interfere with or otherwise adversely affect in any material respect any acquisition, financing, corporate reorganization or other material transaction or development involving the Company (a "Disadvantageous Condition")) for sales of Registrable Securities thereunder to then be permitted, and setting forth in general terms the reasons for such determination, the Company may refrain from maintaining current the prospectus contained in such registration statement until such Disadvantageous Condition no longer exists (notice of which the Company shall promptly deliver to each Holder or Registrable Securities covered by such registration statement).

Furthermore, notwithstanding any other provision of this Agreement to the contrary, with respect to any registration statement filed, or to be filed, pursuant to Section 2.01 or 2.02, if the Company provides written notice to each Holder of Registrable Securities to be covered by such registration statement that the Board of Directors has determined, in its reasonable business judgment, that it would be materially disadvantageous to the Company (because of a Disadvantageous Condition) for such a registration statement to be maintained effective, or to be filed or to become effective, and setting forth in general terms the reasons for such determination, the Company shall be entitled to cause such registration statement to be withdrawn or the effectiveness of such registration statement to be terminated, or, in the event no registration statement has been filed, the Company shall be entitled to not file such registration statement, until such Disadvantageous Condition no longer exists (notice of which the Company shall promptly deliver to each Holder of Registrable Securities covered, or to be covered, by such registration statement).

With respect to each Holder of Registrable Securities covered by any registration statement relating to a Piggy-back Registration or a Demand Registration, upon receipt by such Holder of any notice from the Company of a Disadvantageous Condition, such Holder shall forthwith discontinue use of the prospectus and any prospectus supplement under such registration statement and shall suspend sales of Registrable Securities until such Disadvantageous Condition no longer exists. Furthermore, if so directed by the Company by such notice, such Holder will deliver to the Company all copies (other than permanent file copies) then in such Holder's possession of the prospectus and prospectus supplements then covering such Registrable Securities at the time of receipt of such notice. In the event that the Company makes an election under this Section 2.04, each Holder agrees to keep confidential the fact of such election and any information provided by the Company in connection therewith.

Notwithstanding any other provision of this Agreement to the contrary, (i) the maintaining current of a prospectus (and the suspension of sales of Registrable Securities) in connection with a Demand Registration may not be delayed under this Section 2.04 for more than a total of 90 days in any twelve-month period and (ii) neither the filing nor the effectiveness of any registration statement under Section 2.02 may be delayed for more than a total of 90 days pursuant to this Section 2.04. The time period during which any registration statement under Section 2.02 must be maintained effective pursuant to Section 2.02(b) shall be extended by the number of days in any delay period imposed pursuant to this Section 2.04 (a "Section 2.04 Period"). In no event shall the Company be entitled to delay the maintaining current of a prospectus (and the suspension of sales of Registrable Securities) in connection with any Demand Registration or to delay the filing or effectiveness of any registration statement under Section 2.02 unless the Company shall (i) concurrently prohibit sales by other security holders under registrable statements covering securities held by such other securityholders and (ii) forbid purchases and sales of securities of the Company in the open market by senior executives of the Company, other than pursuant to a "written plan for trading securities", as such phrase is used under Rule 10b5-1 under the Exchange Act.

In the event any registration statement in respect of a Demand Registration is withdrawn or the effectiveness of such registration statement is terminated, or a registration statement is not filed in respect of a Demand Registration, in each case pursuant to this Section 2.04, then the Investor shall have the right to withdraw its request for such Demand Registration at any time following receipt of any notice from the Company of a Disadvantageous Condition, and, if the Investor so withdraws its request, the Investor shall be deemed not to have used one of its rights to request a Demand Registration under Section 2.02 and shall continue to have such right.

SECTION 2.05. Expenses. Except as otherwise provided in this Agreement, the Company shall pay all Registration Expenses with respect to each registration under this Agreement.

SECTION 2.06. Registration and Qualification. If and whenever the Company is required by the provisions of this Agreement to effect the registration of any Registrable Securities under the 1933 Act as provided in Section 2.01 or 2.02, the Company shall as promptly as practicable (but subject, in the case of any registration as provided in Section 2.02, to the provisions thereof):

(a) prepare and file with the Commission (within 60 days after such request) a registration statement (as well as any necessary supplements and amendments thereto) which counsel for the Company shall deem appropriate on such form as shall be available for the sale of such Registrable Securities in accordance with the intended method of distribution thereof and use its best efforts to cause such registration statement to become effective and remain effective until the earlier to occur of (i) such time as all Registrable Securities covered by such registration statement have been disposed of in accordance with the intended methods of disposition set forth in such registration statement (but in no event before the expiration of the 90-day period referred to in Section 4(3) of the 1933 Act and Rule 174 promulgated thereunder, if applicable) and (ii) 120 days after such registration statement becomes effective which period shall be extended in the case of any Demand Registration by the number of days in any Section 2.04 Period and/or Section 2.06(e) Period applicable to such Demand Registration; provided, however, that, before filing a registration statement or prospectus or any amendments or supplements thereto, or comparable statements under securities or blue sky laws of any jurisdiction, the Company shall (x) provide counsel selected by the Investor with an opportunity to participate in the preparation of such registration statement and each prospectus included therein (and each amendment or supplement thereto) to be filed with the Commission, which shall be subject to the review and approval (which approval shall not be unreasonably withheld) of such counsel, and (y) notify each Selling Holder and such counsel of any stop order issued or, to the best knowledge of the Company, threatened by the Commission and take all reasonable action required to prevent the entry of such stop order or to remove it if entered;

(b) prepare and file with the Commission such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective until the earlier to occur of (i) such time as all Registrable Securities covered by such registration statement have been disposed of in accordance with the intended methods of disposition set forth in such registration statement (but in no event before the expiration of the 90-day period referred to in Section 4(3) of the 1933 Act and Rule 174 promulgated thereunder, if applicable) and (ii) 120 days after such registration statement becomes effective which period shall be extended in the case of any Demand Registration by the number of days in any Section 2.04 Period and/or Section 2.06(e) Period applicable to such Demand Registration, and comply with the provisions of the 1933 Act with respect to the disposition of all securities covered by such registration statement during such period in accordance with the intended methods of disposition set forth in such registration statement;

(c) furnish, without charge, to each Holder of such Registrable Securities and to any underwriter of such Registrable Securities, prior to the filing of such registration statement, copies of such registration statement as proposed to be filed and thereafter such number of copies of such registration statement, each amendment and supplement thereto (in each case, including all exhibits thereto), the prospectus included in such registration statement (including each preliminary prospectus), in conformity with the requirements of the 1933 Act, such documents incorporated by reference in such registration statement or prospectus and such other documents as such Holder or underwriter may reasonably request, in order to facilitate the sale of the Registrable Securities by the Selling Holders;

(d) use its commercially reasonable efforts to register or qualify such Registrable Securities under such other securities or blue sky laws of such jurisdictions as each Holder of Registrable Securities covered by such Registration Statement requests and do any and all other acts and things which may be reasonably necessary or advisable to enable each such Holder to consummate the disposition of the Registrable Shares held by such Holder in such jurisdictions; provided that the Company shall not be required to (i) qualify generally to do business in any jurisdiction in which it would not otherwise be required to qualify but for this Section 2.06(d), (ii) subject itself to taxation in any such jurisdiction or (iii) consent to general service of process in any such jurisdiction;

(e) promptly notify each Selling Holder in writing (i) at any time when a prospectus relating to such Registrable Securities is required to be delivered under 1933 Act, upon discovery that, or upon the occurrence of any event as a result of which, the prospectus included in such registration statement contains an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which they were made or (ii) of any request by the Commission or any other Governmental Entity for any amendment of or supplement to any registration statement or other document relating to such offering, and in either such case the Company shall promptly prepare a supplement or amendment to such prospectus and furnish to each Selling Holder a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, after delivery to the purchasers of such Registrable Securities, such prospectus shall not contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which they were made (the number of days from (x) the date the written notice contemplated by this paragraph (e) is given by the Company to (y) the date on which the Company delivers to the Selling Holders the supplement or amendment contemplated by this paragraph (e) is referred to in this Agreement as a "Section 2.06(e) Period");

(f) use its commercially reasonable efforts to cause such Registrable Securities to be registered with or approved by such other Governmental Entities as may be necessary by virtue of the business and operations of the Company to enable each Holder of Registrable Securities covered by such Registration Statement to consummate the disposition of the Registrable Securities held by such Holder;

(g) enter into and perform customary agreements (including an underwriting agreement in customary form, if the offering is underwritten) and take such other actions as are reasonably required in order to expedite or facilitate the disposition of such Registrable Securities, and each Selling Holder shall also enter into and perform its obligations under such agreements;

(h) make available for inspection by any lead or managing underwriter participating in any disposition pursuant to such registration statement, any Selling Holder, counsel selected by the Investor and any attorney, accountant or other agent retained by any lead or managing underwriter, or the Investor (collectively, the "Inspectors") all financial and other records, pertinent corporate documents and properties of the Company (collectively, the "Records") as shall be reasonably necessary to enable the Inspectors to exercise their due diligence responsibility and cause the Company's officers, directors and employees and the independent public accountants of the Company to supply all information reasonably requested by any such Inspector in connection with such registration statement. Any Records that the Company determines, in good faith, to be confidential and in respect of which the Company notifies each Selling Holder that such Records are confidential shall not be disclosed by the Inspectors unless (x) the disclosure of such Records is necessary to avoid or correct a misstatement or omission in the applicable registration statement (in which case, the Selling Holders shall cooperate with the Company in seeking confidential treatment of such Records) or (y) the release of such Records is ordered pursuant to a subpoena or other order from a court of competent jurisdiction. Each Selling Holder agrees that it shall, upon learning that disclosure of such Records is sought in a court of competent jurisdiction, give notice to the Company and allow the Company, at the Company's expense, to undertake appropriate action to prevent disclosure of such Records;

(i) in the event such sale is effected pursuant to an underwritten offering, obtain a "comfort" letter or comfort letters from the Company's independent public accountants in customary form and covering such matters of the type customarily covered by cold comfort letters as counsel for the lead or managing underwriter or counsel for the Investor reasonably requests;

(j) furnish, at the request of any Selling Holder, on the date such Registrable Securities are delivered to any underwriter for sale pursuant to such registration or, if such Registrable Securities are not being sold through any underwriter, on the date the registration statement with respect to such Registrable Securities becomes effective, an opinion, dated as of such date, of counsel representing the Company for the purposes of such registration, addressed to the underwriters, if any, and to each Selling Holder, covering such legal matters with respect to the registration as any Selling Holder may reasonably request and are customarily included in such opinions;

(k) otherwise use its best efforts to comply with all applicable rules and regulations of the Commission and make available to each Selling Holder, as soon as reasonably practicable, an earnings statement covering a period of 12 months beginning after the effective date of the registration statement, in a manner which satisfies the provisions of Section 11(a) of the 1933 Act;

(l) cause all such Registrable Securities to be quoted on each interdealer quotation system or listed on each securities exchange, if any, on which other securities of the same class issued by the Company are then quoted or listed (subject to notice of issuance); provided that the applicable listing requirements are satisfied;

(m) use its commercially reasonable efforts to assist the Selling Holders in the marketing of Registrable Securities in connection with underwritten offerings (including, to the extent reasonably consistent with work commitments, using reasonable efforts to have officers of the Company participate in "road shows" and analyst or investor presentations scheduled in connection with such registration provided that the Selling Holders shall give such officers reasonable advance notice concerning the scheduling of any such presentations);

(n) if requested, furnish for delivery in connection with the closing of any offering of Registrable Securities pursuant to a registration effected pursuant to Section 2.01 or 2.02 unlegended certificates representing ownership of the Registrable Securities being sold in such denominations as shall be requested by the Selling Holders or the underwriters;

(o) promptly notify the Selling Holders of any stop order issued or, to the Company's knowledge, threatened to be issued by the Commission and take all reasonable actions required to prevent the entry of such stop order or to remove it if entered;

(p) cause the Registrable Securities to be included in any registration statement not later than the effective date of such registration statement;

(q) cooperate with each Selling Holder and each Underwriter participating in the disposition of such Registrable Securities and their respective counsel in connection with any filings required to be made with the National Association of Securities Dealers, Inc.;

(r) during the period when the prospectus is required to be delivered under the Securities Act, promptly file all documents required to be filed by the Company with the Commission pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act; and

(s) keep each Selling Holder reasonably advised as to the initiation and progress of such registration.

SECTION 2.07. Underwriting. If requested by the underwriters for any underwritten offering of Registrable Securities pursuant to a registration requested under Section 2.02(a), the Company shall enter into an underwriting agreement with such underwriters for such offering, which agreement will contain such representations and warranties by the Company and such other terms and provisions as are customarily contained in underwriting agreements with respect to secondary distributions, including indemnification and contribution provisions substantially to the effect and to the extent provided in Section 2.08, and agreements as to the provision of opinions of counsel and accountants' letters to the effect and to the extent provided in Sections 2.06(i) and 2.06(j), respectively. Such underwriting agreement shall also contain such representations and warranties by such Selling Holders and such other terms and provisions as are customarily contained in underwriting agreements with respect to secondary distributions, including indemnification and contribution provisions substantially to the effect and to the extent provided in Section 2.08.

SECTION 2.08. Indemnification and Contribution. (a) The Company agrees to indemnify and hold harmless, to the fullest extent permitted by law, each Holder, its officers, directors, agents, trustees, stockholders and each person, if any, who controls each Holder (within the meaning of either Section 15 of the 1933 Act or Section 20 of the 1934 Act) and any investment advisor of such Holder from and against any and all losses, claims, damages, liabilities and expenses (including reasonable costs of investigation and reasonable attorneys' fees, disbursements and expenses) arising out of or based upon (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement or any amendment thereof, any preliminary prospectus or prospectus (as amended or supplemented if the Company shall have furnished any amendment or supplements thereto) relating to the Registrable Securities or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, except insofar as such untrue statement or omission or alleged untrue statement or omission was made (x) in reliance upon and in conformity with any information furnished to the Company in writing by such Holder or, if applicable, the underwriters, legal counsel, or other agents of such Holder, expressly for use therein, (y) in any prospectus used after such time as the Company advised such Holder in writing that the filing of a post-effective amendment or supplement thereto was required, other than such prospectus as so amended or supplemented or (z) in any prospectus used after such time as the obligation of the Company to keep such prospectus effective and current shall have expired or (ii) any violation by the Company of the 1933 Act or the 1934 Act in connection with such registration. The Company shall also indemnify any underwriters of the Registrable Securities, their officers and directors and each person that controls such underwriters (within the meaning of either Section 15 of the 1933 Act or Section 20 of the 1934 Act) to the same extent and subject to the same limitations as provided in this Section 2.08 with respect to the indemnification of the Holders; and provided further that the Company shall not be liable for an underwriter's failure to send or give a copy of the final prospectus or supplement to the persons asserting an untrue statement or alleged untrue statement or omission or alleged omission at or prior to the written confirmation of the sale of Registrable Securities to such person if such statement or omission was corrected in such final prospectus or supplement.

(b) In connection with any registration statement pursuant to which Registrable Securities owned by any Holders are being registered as provided in Section 2.01 or 2.02, each such Holder shall furnish to the Company in writing such information with respect to such Holder as the Company may reasonably request for use in connection with any such registration statement or related prospectus and agrees to indemnify and hold harmless the Company, its officers, directors, agents, trustees and stockholders and each person, if any, that controls the Company (within the meaning of either Section 15 of the 1993 Act or Section 20 of the 1934 Act) from and against any and all losses, claims, damages, liabilities and expenses (including reasonable costs of investigation and reasonable attorneys' fees, disbursements and expenses) arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in any registration statement or any amendment thereof, any preliminary prospectus or prospectus (as amended or supplemented if the Company shall have furnished any amendment or supplement thereto) relating to the Registrable Securities or any omission or alleged omission to state therein a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, but only insofar as such losses, claims, damages, liabilities and expenses are caused by information furnished in writing to the Company by such Holder, or, if applicable, the underwriters, legal counsel, or other agents of such Holder, expressly for use therein; provided however that in no event shall any Holder be required to indemnify any person described in this Section 2.08(b) in an amount in excess of the amount of the net proceeds received by such Holder in connection with sales of Registrable Securities covered by any such registration under the Securities Act.

(c) Each party indemnified under paragraph (a) or (b) above shall, promptly after receipt of notice of a claim or action against such indemnified party in respect of which indemnity may be sought hereunder, notify the indemnifying party in writing of the claim or action; provided that the failure to notify the indemnifying party shall not relieve it from any liability that it may have to an indemnified party on account of the indemnity agreement contained in paragraph (a) or (b) above except to the extent that the indemnifying party was actually substantially prejudiced by such failure, and in no event shall such failure relieve the indemnifying party from any other liability that it may have to such indemnified party. If any such claim or action shall be brought against an indemnified party, and it shall have notified the indemnifying party thereof, unless based on the advice of counsel to such indemnified party a conflict of interest between such indemnified party and indemnifying parties may exist in respect of such claim, the indemnifying party shall be entitled to participate therein and, to the extent that it wishes, jointly with any other similarly notified indemnifying party, to assume the defense thereof. After notice from the indemnifying party to the indemnified party of its election to assume the defense of such claim or action and the prompt undertaking of such defense with counsel reasonably acceptable to the indemnified party, the indemnifying party shall not be liable to the indemnified party under this Section 2.08 for any legal or other expenses subsequently incurred by the indemnified party in connection with the defense thereof. Any indemnifying party against whom indemnity may be sought under this Section 2.08 shall not be liable to indemnify an indemnified party if such indemnified party settles such claim or action without the consent of the indemnifying party (such consent not to be unreasonably withheld, delayed or conditional). The indemnifying party may not agree to any settlement of any such claim or action, other than solely for monetary damages for which the indemnifying party shall be responsible hereunder, the result of which any remedy or relief shall be applied to or against the indemnified party, without the prior written consent of the indemnified party, which consent shall not be unreasonably withheld. In any action hereunder as to which the indemnifying party has assumed the defense thereof, the indemnified party shall continue to be entitled to participate in the defense thereof, with counsel of its own choice, but the indemnifying party shall not be obligated hereunder to reimburse the indemnified party for the costs thereof unless (i) the indemnifying party agrees to pay such costs or (ii) the indemnifying party fails to promptly assume and continue the defense of such claim or action with counsel reasonably satisfactory to the indemnified party.

(d) If the indemnification provided for in this Section 2.08 from an indemnifying party shall for any reason be unavailable to an indemnified party (other than in accordance with its terms) in respect of any loss, claim, damage, liability or expense referred to herein, then such indemnifying party shall, in lieu of indemnifying such indemnified party, contribute to the amount paid or payable by such indemnified party as a result of such loss, claim, damage, liability or expense in such proportion as is appropriate to reflect the relative fault of such indemnifying party on the one hand and of such indemnified party on the other hand in connection with the statements or omissions (or actions) that resulted in such losses, claims, damages, liabilities or expenses as well as any other relevant equitable considerations. The relative fault of the indemnifying party on the one hand and the indemnified party on the other hand shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by such indemnifying party or indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by an indemnified party as a result of the loss, claim, damage, liability or expense in respect thereof referred to above in this paragraph (d), shall be deemed to include, for purposes of this paragraph (d), any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 2.08 were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in this paragraph (d). Notwithstanding any other provision of this Section 2.08, no Holder shall be required to contribute any amount in excess of the amount by which the proceeds of the offering received by such Holder exceeds the amount of any damages which such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission.

No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. Each Holder's obligation to contribute is several in the proportion that the proceeds of the offering received by such Holder bears to the total proceeds of the offering, and not joint.

(e) The obligations of the parties under this Section 2.08 shall be in addition to any liability that any party may otherwise have to any other party.

SECTION 2.09. Holdback Agreements. (a) From the date of this Agreement to the date on which the Merger Agreement is terminated in accordance with its terms, each Holder agrees not to effect (and to cause its controlled affiliates not to effect) any sale or distribution (including any open market sales and any offerings made in reliance on Rule 144A under the 1933 Act or similar distribution) of any Registrable Securities or any other equity security of the Company, or any securities convertible into or exchangeable or exercisable for Registrable Securities or other equity securities of the Company, including a sale pursuant to Rule 144 and any hedging or derivative transaction involving such securities.

(b) To the extent not inconsistent with applicable law, in the event that any Registrable Securities shall be registered in connection with an underwritten offering, each Holder agrees not to effect (and to cause its controlled affiliates not to effect) any public sale or distribution (including any open market sales and any offerings made in reliance on Rule 144A under the 1933 Act or similar distribution) of Registrable Securities or any other equity security of the Company, or any securities convertible into or exchangeable or exercisable for Registrable Securities or other equity securities of the Company, including a sale pursuant to Rule 144 and any hedging or derivative transaction involving any such securities, during the 14 days prior to, and during the 90-day period beginning on, the later of (i) the effective date of such registration or (ii) the commencement of a public distribution of such Registrable Securities pursuant to such registration, in each case if and to the extent requested by the Company or the lead or managing underwriter of such underwritten offering.

(c) In connection with any registration of Registrable Securities in connection with an underwritten offering, the Company agrees not to effect any public sale or distribution of any of its equity securities, or any securities convertible into or exchangeable or exercisable for its equity securities (except pursuant to a registration statement on Form S-4 or Form S-8 or any successor or similar forms thereto) during the 20 days prior to, and during the 90-day period beginning on, the later of (i) the effective date of such registration or (ii) the commencement of a public distribution of such Registrable Securities pursuant to such registration.

(d) In the event of a proposed offering of debt or equity securities by the Company for its own account at any time during the Effective Period, whether or not such offering is to be registered under the 1933 Act or any Registrable Securities shall be registered in connection therewith, if requested in writing by the Company, each Holder agrees not to effect (and to cause its controlled affiliates not to effect) any public sale or distribution (including any open market sales and offerings made in reliance on Rule 144A under the 1933 Act or similar distribution) of Registrable Securities or any other equity security of the Company, or any securities convertible into or exchangeable or exercisable for Registrable Securities or other equity securities of the Company, including a sale pursuant to Rule 144 and any hedging or derivative transaction involving any such securities, for such period prior to or following such offering, not to exceed 75 days in any calendar year, as the Company may so request.

SECTION 2.10. Priority Rights of Holders. The Company hereby agrees not to enter into any agreement for the registration, sale or distribution of any of the Company's securities with terms that conflict with the terms set forth in this Agreement with respect to each Holder.

SECTION 2.11. Holder Covenants. Each Holder hereby covenants and agrees that:

(a) it will not sell any Registrable Securities under any registration statement covering Registrable Securities until is has received notice from the Company that such registration statement and any post-effective amendments thereto have become effective; provided that the Company shall notify each Holder promptly when such registration statement and any post-effective amendments thereto have become effective;

(b) it will comply with the prospectus delivery requirements of the Securities Act as applicable to it in connection with the sales of Registrable Securities pursuant to a registration statement;

(c) it shall promptly furnish to the Company such information regarding the Holder, the Registrable Securities held by it and the distribution proposed by the Holder as the Company may request in writing and shall otherwise cooperate with the Company to the extent such information or cooperation is required in connection with any registration, qualification or compliance referred to in this Agreement;

(d) it shall notify the Company as promptly as practicable of any inaccuracy or change in information previously furnished to the Company or of the happening of any event, in either case as a result of which any prospectus relating to such registration contains an untrue statement of a material fact regarding the Holder or the distribution of such Registrable Securities or omits to state any material fact regarding the Holder or the distribution of such Registrable Securities required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and to furnish to the Company promptly any additional information required to correct and update any previously furnished information or required such that such prospectus shall not contain, with respect to the Holder or the distribution of such Registrable Securities, an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

SECTION 2.12. Termination. Effective immediately upon the consummation of the transactions contemplated by the Merger Agreement, this Agreement (other than Article III, which shall survive such termination) shall thereupon automatically terminate and become null and void without any further action on the part of any party hereto.

ARTICLE III

Miscellaneous

SECTION 3.01. Amendments and Waivers. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto. By an instrument in writing, the Investor, on the one hand, or the Company, on the other hand, may waive compliance by the other with any term or provision of this Agreement that such other party was or is obligated to comply with or perform.

SECTION 3.02. Notices. All notices or other communications required or permitted to be given hereunder shall be in writing and shall be delivered by hand or sent by facsimile or sent, postage prepaid, by registered, certified or express mail or overnight courier service and shall be deemed given when so delivered by hand or facsimile (upon receipt of confirmation), or if mailed, one day after mailing, as follows:

(a) If to the Company, to:

EchoStar Communications Corporation
5701 South Santa Fe Drive
Littleton, Colorado 80120
Fax: 303-723-1699

Attention: David K. Moskowitz, General Counsel with a copy to:

Sullivan & Cromwell
125 Broad Street
New York, NY 10004
Fax: 212-558-3588

Attention: Francis J. Aquila and John J. O'Brien

(b) If to the Investor or any other Holder, to:

Vivendi Universal
42, Avenue de Friedland
75380 Paris Cedex 08
France
Fax: 33-1-7171-1414

Attention: Mr. Guillaume Hannezo

with a copy to:

Cravath, Swaine & Moore
Worldwide Plaza
825 Eighth Avenue
New York, NY 10019
Fax: 212-474-3700

Attention: Faiza J. Saeed

SECTION 3.03. Interpretation. (a) The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

(b) For all purposes hereof:

"including" means including, without limitation.

"subsidiary" of any person means another person, an amount of the voting securities, other voting rights or voting partnership interests of which is sufficient to elect at least a majority of its board of directors or other governing body (or, if there are no such voting interests, 50% or more of the equity interests of which) is owned directly or indirectly by such first person.

SECTION 3.04. Severability. This Agreement shall be deemed severable, and the invalidity or unenforceability of any term or provision hereof shall not affect the validity or enforceability of this Agreement or of any other term or provision hereof. Furthermore, in lieu of any such invalid or unenforceable term or provision, the parties hereto intend that there shall be added as a part of this Agreement a provision as similar in terms to such invalid or unenforceable provision as may be possible and be valid and enforceable.

SECTION 3.05. Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more such counterparts have been signed by each of the parties and delivered to the other parties.

SECTION 3.06. Entire Agreement; No Third-Party Beneficiaries. This Agreement (i) constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof and (ii) except for the provisions of Section 2.08, is not intended to confer upon any person other than the parties hereto any rights or remedies hereunder.

SECTION 3.07. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York regardless of the laws that might otherwise apply under applicable principles of law thereof.

SECTION 3.08. Assignment. Except as provided in clause (ii) or (iii) of the definition of Holder, neither this Agreement nor any of the rights, interests or obligations under this Agreement shall be assigned, in whole or in part, by operation of law or otherwise, by any of the parties without the prior written consent of the other parties. Any purported assignment without such consent shall be void. Subject to the preceding sentences, this Agreement will be binding upon, inure to the benefit of, and be enforceable by, the parties and their respective successors and assigns.

SECTION 3.09. Enforcement. The parties agree that irreparable damage would occur and that the parties would not have any adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in any New York state court, any Federal court located in the State of New York or any Colorado state court or Federal court located in the State of Colorado, this being in addition to any other remedy to which they are entitled at law or in equity. In addition, each of the parties hereto (i) consents to submit itself to the personal jurisdiction of any New York state court or any Federal court located in the State of New York or any Colorado state court or Federal court located in the State of Colorado in the event any dispute arises out of this Agreement, (ii) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court, (iii) agrees that it will not bring any action relating to this Agreement in any court other than a New York state court or any Federal court sitting in the State of New York or any Colorado state court or Federal court located in the State of Colorado and (iv) waives any right to trial by jury with respect to any claim or proceeding related to or arising out of this Agreement or any transaction contemplated hereby.

IN WITNESS WHEREOF, the Company and the Holders have caused this Agreement to be duly executed as of the day and year first above written.

ECHOSTAR COMMUNICATIONS CORPORATION,

by
/s/ David K. Moskowitz

Name: David K. Moskowitz
Title: Senior Vice President
and General Counsel

VIVENDI UNIVERSAL, S.A.,

by
/s/ Jean-Marie Messier

Name: Jean-Marie Messier
Title: Chairman and Chief
Executive Officer

EXHIBIT 10.3

MODIFICATION NO. 11

TO THE SATELLITE CONTRACT

(EchoStar VII - 119(degrees) West Longitude)

BETWEEN

LOCKHEED MARTIN CORPORATION

AND

ECHOSTAR ORBITAL CORPORATION

DATED January 27, 2000

This Modification is effective as of February 7, 2002

WITNESS THAT:

WHEREAS, EchoStar Orbital Corporation ("Buyer") and Lockheed Martin Corporation ("Contractor"), mutually agree to modify the subject Contract to:

- Delete Contract Modification Number 6 in it's entirety

- Modify EXHIBIT A, THE ECHOSTAR VII STATEMENT OF WORK, DOC#8575922. This modification incorporates mutually agreed upon changes to Paragraph 14.3b, specifically the In-orbit payload test location from the designated orbital location of 148 degrees West longitude, to 129 degrees West longitude.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, Buyer and Contractor agree to modify the Contract as follows:

1) Contract Modification Number 6 is hereby deleted in it's entirety and all provisions which were in existence prior to Modification Number 6 are reinstated as changed by Modifications subsequent to Modification Number 6.

EXHIBIT 10.3

2) EXHIBIT A EchoStar VII Statement of Work Doc#8575922,

Delete EXHIBIT A EchoStar VII Statement of Work Doc#8575922 Paragraph 14.3b line 1, "148 degrees West" and replace with "129 degrees West".

IN WITNESS WHEREOF, the parties hereto have executed this Contract Amendment.

ECHOSTAR ORBITAL CORPORATION	LOCKHEED MARTIN CORPORATION
By: ----------------------------	By: ------------------------------------
David K. Moskowitz	Dean Adams
Senior Vice President and	Contracts Manager
General Counsel	

EchoStar Communications Corporation hereby guarantees all the obligations and duties of EchoStar Orbital Corporation under the Contract to which this guarantee is attached.

ECHOSTAR COMMUNICATIONS

CORPORATION

By:

David K. Moskowitz

Senior Vice President and

General Counsel

AMENDMENT NO. 1
TO
LAUNCH SERVICE CONTRACT

This Amendment (the "Amendment") is made and effective as of the 10th day of January, 2002, by and between and Lockheed Martin Commercial Launch Services, Inc. ("Contractor"), having a principal place of business at 1660 International Drive, Suite 800, McLean, Virginia 22102, and EchoStar Orbital Corporation ("Customer"), having a principal place of business at 5701 S. Santa Fe Drive, Littleton, Colorado 80120.

WHEREAS, Contractor and Customer have previously entered into a written Launch Services Contract (the "Contract") effective as of January 31, 2001; and

WHEREAS, Contractor and Customer desire to amend the Contract;

NOW, THEREFORE, in consideration of the benefits which will accrue to each party as a result of the matters described below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, the parties agree to amend the Contract as follows:

1. Deletion of Contract Provisions. Sections [CONFIDENTIAL INFORMATION OMITTED] and [CONFIDENTIAL INFORMATION OMITTED] of the Contract and all references thereto in the Contract are hereby deleted in their entirety, and each Party hereby (a) waives any and all rights and remedies that it may previously have had under Sections [CONFIDENTIAL INFORMATION OMITTED] and [CONFIDENTIAL INFORMATION OMITTED] and (b) releases the other Party from any and all duties and obligations that such other Party may have had under Sections [CONFIDENTIAL INFORMATION OMITTED] and [CONFIDENTIAL INFORMATION OMITTED].

2. [CONFIDENTIAL INFORMATION OMITTED]

3. [CONFIDENTIAL INFORMATION OMITTED]

4. Payments for EchoStar VII and EchoStar VIII Launches.

4.1 Customer hereby agrees to make the [CONFIDENTIAL INFORMATION OMITTED] payment [CONFIDENTIAL INFORMATION OMITTED] and [CONFIDENTIAL INFORMATION OMITTED] payment [CONFIDENTIAL INFORMATION OMITTED] for the Launch of EchoStar VII to Contractor by one or more company checks totaling [CONFIDENTIAL INFORMATION OMITTED] on [CONFIDENTIAL INFORMATION OMITTED]. Customer hereby further agrees to make the [CONFIDENTIAL INFORMATION OMITTED] payment [CONFIDENTIAL INFORMATION OMITTED], [CONFIDENTIAL INFORMATION OMITTED] payment [CONFIDENTIAL INFORMATION OMITTED] and [CONFIDENTIAL INFORMATION OMITTED] payment [CONFIDENTIAL INFORMATION OMITTED] for the Launch of EchoStar VIII to Contractor by one or more company checks totaling [CONFIDENTIAL INFORMATION OMITTED] on [CONFIDENTIAL INFORMATION OMITTED]. The parties hereby agree that the above payments to Contractor for EchoStar VII and EchoStar VIII, [CONFIDENTIAL INFORMATION OMITTED] shall be made concurrently at EchoStar's headquarters located in Littleton, Colorado on [CONFIDENTIAL INFORMATION OMITTED].

4.2 [CONFIDENTIAL INFORMATION OMITTED]

5. [CONFIDENTIAL INFORMATION OMITTED]

6. The last sentence of Article [CONFIDENTIAL INFORMATION OMITTED] of the Contract, entitled [CONFIDENTIAL INFORMATION OMITTED] is hereby deleted.

7. Except as expressly modified herein, the Contract shall remain in full force and effect in accordance with its terms and conditions.

8. All capitalized terms not defined herein shall have the meaning ascribed to them in the Contract.

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed by their duly authorized representatives as of the date first written above.

LOCKHEED MARTIN COMMERCIAL
LAUNCH SERVICES, INC.

\- -------------------------
Name:
Title:

ECHOSTAR ORBITAL
CORPORATION

\- -------------------------
Name:
Title:

MEMORANDUM OEM MANUFACTURING AGREEMENT

This Memorandum OEM Manufacturing Agreement ("MOEMMA") is made and effective as of this 9th day of January, 2002, by and among EchoStar Satellite Corporation ("ESC"), having a place of business at 5701 S. Santa Fe Drive, Littleton, Colorado 80120, EchoStar Technologies Corporation ("ETC"), having a place of business at 90 Inverness Circle East, Englewood, Colorado 80112, and Thomson multimedia, Inc. ("Licensee"), having a place of business at 10330-No. Meridian Street, Indianapolis, Indiana 46290.

INTRODUCTION

This MOEMMA confirms the terms and conditions upon which: (i) Licensee shall manufacture (under license from ETC) Licensee Receivers, and (ii) Licensee shall manufacture (under license from ETC) ETC Receivers.

1. DEFINITIONS

In addition to any other defined terms in this MOEMMA and except as otherwise expressly provided for in this MOEMMA, the following terms shall have the following meanings:

1.1 "Affiliate" shall mean, with respect to a party, any person or entity directly or indirectly controlling, controlled by, or under common control with such party.

1.2 "DBS" shall mean direct broadcast satellite.

1.3 "DISH Network" shall mean the DBS network owned and operated in the United States by ESC and its Affiliates.

1.4 "DTH" shall mean direct-to-home.

1.5 "ETC Receiver Specifications" shall mean those specifications defining Dish Network broadcast reception requirements, Receiver performance requirements, Receiver mechanical configuration, and other Receiver form, fit, look, feel and function as specified by ETC from time to time.

1.6 "ETC Receivers" shall mean Receivers that are manufactured in strict conformance with the ETC Receiver Specifications by Licensee or on behalf of Licensee by a Permitted Contractor and branded with such trademarks as ETC may designate from time to time in its sole judgment.

1.7 "ETC Technology" shall have the meaning ascribed to that term in Section 2.1 below.

1.8 "License" shall have the meaning ascribed to that term in Section 2.2 below.

1.9 "License Fee" shall have the meaning ascribed to that term in Section 2.4 below.

1.10 "Licensed Technology" shall have the meaning ascribed to that term in Section 2.2 below.

1.11 "Licensee Receivers" shall mean Receivers that are manufactured in strict conformance with the ETC Receiver specifications by Licensee or on behalf of Licensee by a Permitted Contractor. Licensee shall be entitled to apply Licensee branding to Licensee Receivers in accordance with ETC's trademark usage guidelines, as such guidelines may change from time to time upon written notice to Licensee.

1.12 "Permitted Subcontractor" shall have the meaning ascribed to that term in Section 2.3.3 below.

1.13 "Receiver" shall mean a digital DBS receiver that: (i) is a stand-alone set top box or integrated with another consumer electronics device in a set top box configuration; (ii) is solely compatible with DISH Network; and (iii) is intended for resale solely in the Territory.

1.14 [CONFIDENTIAL INFORMATION OMITTED]

1.15 "Territory" shall mean the geographic boundaries of the continental United States.

2. LICENSE

2.1 Background. ETC and its Affiliates have designed, developed and acquired through license, and continue to design, develop and attempt to acquire through license, certain intellectual property and other proprietary technology for the design, development and manufacture of current and next generation Receivers (the "ETC Technology"). The preceding sentence shall not be construed as limiting the right of Licensee to directly license from third parties any technology proprietary to such third party for purposes unrelated to Licensee's relationship with ETC and ESC.

2.2 Grant of License. Subject to the terms and conditions set forth below (including without limitation payment of the License Fee pursuant to Section 2.4 below and the restrictions set forth in Section 2.3 below), ETC hereby grants to Licensee a limited, non-exclusive, non-transferable, non-sublicensable, indivisible license (the "License") to use the ETC Technology that is owned exclusively by ETC and its Affiliates and the ETC Technology that ETC and its Affiliates have the right to sublicense to Licensee (collectively, the "Licensed Technology") solely for the purposes of manufacturing ETC Receivers and Licensee Receivers in strict conformance with ETC Receiver Specifications (absent prior written agreement by ETC to deviations from the ETC Receiver Specifications, which agreement shall not be unreasonably withheld) and, provided that the parties can agree upon mutually acceptable terms, selling such ETC Receivers and Licensee Receivers directly to ETC, its Affiliates and designees; provided that the License to use any ETC Technology that is not owned exclusively by ETC or its Affiliates shall be subject to the standard terms and conditions applicable to the disclosure and use of such information, which may include, among other things, the payment of additional license fees and/or royalties by the Licensee or ETC as is mutually agreed upon by the parties.

2.3 License Restrictions.

2.3.1 Licensee will not be entitled to manufacture any Licensee Receivers under any third party brand names, without the prior written consent of ETC and ESC, which consent may be withheld in ETC and ESC's sole judgment. ETC shall commence delivery of Licensed Technology to Licensee following payment of the first installment of the License Fee by Licensee. In no event shall a party be obligated to provide any technology or other information to another party unless the provision of such technology and information is in full compliance with applicable laws and regulations of the United States, including, but not limited to, those relating to the export of technology.

2.3.2 Licensee shall not be entitled to use any ETC Technology for any purpose not expressly set forth in this MOEMMA without ETC's prior written consent, which consent ETC may withhold in its sole judgment. [CONFIDENTIAL INFORMATION OMITTED] ETC shall use its reasonable commercial efforts to compile for Licensee a list of ETC Technology which is proprietary to ETC, provided the parties recognize such list will not be entirely comprehensive.

2.3.3 Licensee shall have no right to grant sublicenses with respect to the Licensed Technology, without the prior written consent of ETC, which consent may be withheld in ETC's sole judgment. [CONFIDENTIAL INFORMATION OMITTED]

2.4 License Fee. In consideration for the License and related technical assistance to be furnished to Licensee by ETC, effort expended by ETC, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Licensee irrevocably and absolutely agrees to pay to ETC the amount of [CONFIDENTIAL INFORMATION OMITTED]

2.5 Smart Cards.

2.5.1 Smart Cards. Licensee shall purchase all Smart Cards necessary to develop and manufacture Licensee Receivers and ETC Receivers and to fulfill its warranty obligations regarding Licensee Receivers and ETC Receivers under the terms of this MOEMMA exclusively from ETC. [CONFIDENTIAL INFORMATION OMITTED]

2.5.2 Subject to Section 2.5.1 above, ETC agrees to supply Smart Cards to Licensee to manufacture or have manufactured ETC Receivers and Licensee Receivers at the price of [CONFIDENTIAL INFORMATION OMITTED] per Smart Card.

2.5.3 Subject to Section 2.5.1 above, ETC agrees to supply Smart Cards to Licensee to: (i) develop ETC Receivers and Licensee Receivers, and (ii) perform or have performed warranty repair of Licensee Receivers and ETC Receivers at the initial price of [CONFIDENTIAL INFORMATION OMITTED] per Smart Card. [CONFIDENTIAL INFORMATION OMITTED]

2.6 Purchases by ETC.

2.6.1 Licensee agrees to manufacture and sell to ETC, and ETC agrees to purchase from Licensee, [CONFIDENTIAL INFORMATION OMITTED] Receivers [CONFIDENTIAL INFORMATION OMITTED] commencing with ETC approval of the first mass production run of Receivers by Licensee, provided that Licensee can meet ETC's reasonable manufacture and delivery requirements and further provided that ETC's agreement to purchase shall terminate and be of absolutely no force or effect if for any reason whatsoever an agreement for the sale by Licensee of Receivers has not been executed by Licensee, ETC and ESC within [CONFIDENTIAL INFORMATION OMITTED] of the date of this MOEMMA. [CONFIDENTIAL INFORMATION OMITTED]

2.6.2 ETC shall be entitled to choose, in its sole judgment from available Receiver models, the ETC Receiver models that it will purchase. ETC's purchase obligations under Section 2.6.1 shall be contingent upon: (i) the ETC Receivers meeting ETC's quality and compatibility standards; [CONFIDENTIAL INFORMATION OMITTED] Licensee shall have no right whatsoever to affix any Licensee branding or other marks to ETC Receivers without ETC's prior written consent, which consent may be withheld in ETC's sole judgment.

2.6.3 Except as expressly set forth to the contrary herein, the purchase of ETC Receivers and Licensee Receivers by ETC under this Section 2.6 shall be subject to Licensee's standard OEM supply terms and conditions, including but not limited to warranty, lead time/forecasting and support, and such additional terms and conditions as may be agreed upon by the parties in the Definitive Agreement. [CONFIDENTIAL INFORMATION OMITTED]

2.6.4 All invoices to ETC hereunder shall be payable, in immediately available funds, within [CONFIDENTIAL INFORMATION OMITTED] from the date of invoice, which shall be issued no earlier than the ship date for the ETC Receivers and/or Licensee Receivers covered by the invoice.

2.7 Responsibilities. Licensee shall be solely responsible for the manufacture of the Licensee Receivers and ETC Receivers. Notwithstanding the foregoing, ETC shall provide Licensee with a reasonable amount of technical assistance from ETC relating to the development, manufacture and testing of the Licensee Receivers and ETC Receivers, particularly as relates to the Licensed Technology.

2.8 [CONFIDENTIAL INFORMATION OMITTED]

2.9 Serial Numbers and Smart Card Numbers. For the purpose of facilitating the activation of programming for Licensee Receivers and ETC Receivers by ESC, Licensee will provide ESC with a list, on paper and electronic media in the format acceptable to ESC, which includes the serial number of each Licensee Receiver and ETC Receiver and the corresponding Smart Card number for each Licensee Receiver and ETC Receiver prior to delivery to ETC, its Affiliates or its designee.

2.10 [CONFIDENTIAL INFORMATION OMITTED]

2.11 [CONFIDENTIAL INFORMATION OMITTED]

2.12 [CONFIDENTIAL INFORMATION OMITTED]

2.13 Warranty.

2.13.1 Licensee Receivers.

(a) Licensee shall warrant to each end-user of a Licensee Receiver that such Licensee Receiver will be free from defects in materials and workmanship (labor and parts) for a period of [CONFIDENTIAL INFORMATION OMITTED] from the date of activation of the relevant Licensee Receiver by such end-user. [CONFIDENTIAL INFORMATION OMITTED]

(b) [CONFIDENTIAL INFORMATION OMITTED]

2.13.2 ETC Receivers.

(a) Licensee warrants to ETC that each ETC Receiver will be free from defects in materials and workmanship (labor and parts) for a period of [CONFIDENTIAL INFORMATION OMITTED] from the date of shipment by Licensee or a Permitted Subcontractor to ETC, its Affiliates or its designee.

(b) [CONFIDENTIAL INFORMATION OMITTED]

2.14 [CONFIDENTIAL INFORMATION OMITTED] Licensee and ETC agree to work in good faith to attempt to establish commercial plans regarding Licensee sales of [CONFIDENTIAL INFORMATION OMITTED]

3. TERM AND TERMINATION

3.1 Term. This MOEMMA shall commence on the date first written above and shall continue for [CONFIDENTIAL INFORMATION OMITTED] thereafter, unless terminated sooner as provided in this MOEMMA (the "Term"). [CONFIDENTIAL INFORMATION OMITTED]

3.2 Termination. This MOEMMA may be terminated by a party upon the occurrence of any of the following with respect to another party: (i) the other party commits a payment default which is not cured within ten (10) days of receipt of written notice from the first party, or (ii) the other party defaults on any duty or obligation or breaches any representation, warranty or covenant in this MOEMMA, and such default or breach is not cured within thirty (30) days of receipt of written notice from the first party.

4. CONFIDENTIALITY

4.1 General.

4.1.1 The negotiations leading to the MOEMMA and the negotiations leading to the Definitive Agreement (as defined in Section 5 below), together with all terms and conditions of each, as well as all financial, business, technical and other proprietary information disclosed or provided by any party to this MOEMMA and the Definitive Agreement and any Affiliates thereof, and all information generated therefrom including evaluations thereof ("Confidential Information") shall be kept and treated as strictly confidential and shall only be used by a party (and the persons and entities to whom such party is permitted to disclose such information under this MOEMMA and the Definitive Agreement) as necessary for such party to perform its duties and obligations under this MOEMMA and the Definitive Agreement, in each case for a period of [CONFIDENTIAL INFORMATION OMITTED] years after initial disclosure.

4.1.2 Notwithstanding anything to the contrary set forth herein, the parties shall have the right to disclose the fact of the existence of the Definitive Agreement, if and when signed, together with the minimum amount of other information deemed necessary by securities counsel to either party if such securities counsel in good faith determines that public disclosure of the information is necessary under federal or state securities laws applicable to such party. Disclosure of such information shall be coordinated in advance with the other party. Any such disclosure shall not permit the disclosing party to issue any press release or otherwise discuss or further disseminate the information contained in the securities filing in any manner.

4.2 [CONFIDENTIAL INFORMATION OMITTED]

4.3 [CONFIDENTIAL INFORMATION OMITTED]

4.4 [CONFIDENTIAL INFORMATION OMITTED]

4.5 Savings Clause. The terms and conditions set forth in this Section 4 are in addition to, and not in lieu of, any agreements of the parties respecting confidentiality executed by the parties on or before the date hereof.

5. DEFINITIVE AGREEMENT

5.1 Terms. The parties agree to enter into a definitive agreement memorializing the terms and conditions set forth herein and such other terms and conditions as the parties may otherwise agree to (the "Definitive Agreement"). As soon as practicable after the date first set forth above, the parties agree to promptly and diligently negotiate in good faith and use their respective reasonable commercial efforts to agree on the Definitive Agreement, which shall reflect the terms, conditions and intent of this MOEMMA and shall contain customary terms, conditions, representations, warranties and covenants for each party that would be found in agreements memorializing similar transactions. [CONFIDENTIAL INFORMATION OMITTED]

6. MISCELLANEOUS

6.1 Notice. Any notice required or permitted to be given hereunder shall be in writing and shall be sent by facsimile transmission, or by first class certified mail, postage prepaid, or by overnight courier service, charges prepaid, to the party notified, addressed to such party at the address set forth below, or sent by facsimile to the fax number set forth below, or such other address or fax number as such party may have substituted by written notice to the other parties. The sending of such notice with confirmation of receipt thereof (in the case of facsimile transmission) or receipt of such notice (in the case of delivery by mail or by overnight courier service) shall constitute the giving thereof:

If to Licensee:	Thomson multimedia, Inc. 10330-No. Meridian St. [CONFIDENTIAL INFORMATION OMITTED] Indianapolis, IN 46290 [CONFIDENTIAL INFORMATION OMITTED]
With a copy to:	Thomson multimedia, Inc. 10330-No. Meridian St. Indianapolis, IN 46290 [CONFIDENTIAL INFORMATION OMITTED]

If to ETC: EchoStar Technologies Corporation
90 Inverness Circle East
Englewood, Colorado 80112
[CONFIDENTIAL INFORMATION OMITTED]

With a copy to: EchoStar Technologies Corporation
90 Inverness Circle East
Englewood, Colorado 80112
[CONFIDENTIAL INFORMATION OMITTED]

If to ESC: EchoStar Satellite Corporation
5701 S. Santa Fe Drive
Littleton, Colorado 80120
[CONFIDENTIAL INFORMATION OMITTED]

With a copy to: EchoStar Satellite Corporation
5701 S. Santa Fe Drive
Littleton, Colorado 80120
[CONFIDENTIAL INFORMATION OMITTED]

6.2 Amendment and Waiver. Except as expressly provided to the contrary by this MOEMMA, no waiver or modification of any of the terms or conditions of this MOEMMA shall be effective unless in writing and signed by both parties. The failure or delay of either party to exercise any right hereunder shall not be deemed to be a waiver of such right, and the delay or failure of either party to give notice of, or to terminate this MOEMMA for, breach or default shall not be deemed to be a waiver of the right to do so for that or any subsequent breach or default or for the persistence in a breach or default of a continuing nature.

6.3 Assignment. ETC and ESC may assign their respective rights and delegate their respective duties under this MOEMMA in whole or in part at any time. Licensee may not assign any rights or delegate any duties under this MOEMMA without the prior written consent of ETC and ESC, which consent may be withheld in their sole judgment. Any attempt to do so without such consent shall be void.

6.4 Counterparts. This MOEMMA may be signed in counterparts, each of which shall constitute an original and all of which together shall constitute one and the same agreement.

6.5 Survival. Any provision of this MOEMMA which logically would be expected to survive termination or expiration of the MOEMMA shall survive.

IN WITNESS WHEREOF, the parties hereto have caused this MOEMMA to be executed by their duly authorized officers or representatives as of the date first written above.

ECHOSTAR SATELLITE CORPORATION

By:

Charlie Ergen
Chief Executive Officer and President

ECHOSTAR TECHNOLOGIES CORPORATION

By:

James DeFranco
Executive Vice President

THOMSON MULTIMEDIA, INC. (LICENSEE)

By:

Name: Enrique Rodriguez
Title: Executive Vice President

By:

Name: David Spomer
Title: Vice President

EXHIBIT 10.6

Amendment to Memorandum OEM Manufacturing Agreement

The Memorandum OEM Manufacturing Agreement ("MOEMMA") with an effective date of January 9, 2002 by and among EchoStar Satellite Corporation, EchoStar Technologies Corporation and Thomson multimedia, Inc. is hereby amended as follows:

1. The 6th sentence of Section 2.4 is amended to read:

   In the event that for any reason an agreement for [CONFIDENTIAL INFORMATION REDACTED] has not been executed by Licensee, ETC and ESC on [CONFIDENTIAL INFORMATION REDACTED], then notwithstanding anything else in this MOEMMA to the contrary, this MOEMMA shall terminate.

2. The MOEMMA shall remain in all other respects unchanged.

Echostar Satellite Corporation		Echostar Technologies Corporation	
By:	-------------------------	By:	---------------------------
Title:	-------------------------	Title:	---------------------------
Date:	-------------------------	Date:	---------------------------

Thomson multimedia Inc.

By: -------------------------

Title: -------------------------

Date: -------------------------

EXHIBIT 10.7

Second Amendment to Memorandum
OEM Manufacturing Agreement

The Memorandum OEM Manufacturing Agreement ("MOEMMA") with an effective date of January 9, 2002 by and among EchoStar Satellite Corporation, EchoStar Technologies Corporation and Thomson multimedia, Inc. is hereby amended as follows:

1. The 6th sentence of Section 2.4 is amended to read:

In the event that for any reason an agreement for [CONFIDENTIAL INFORMATION REDACTED] has not been executed by License ETC and ESC [CONFIDENTIAL INFORMATION REDACTED], then notwithstanding anything else in this MOEMMA to the contrary, this MOEMMA shall terminate.

2. The MOEMMA shall remain in all other respects unchanged.

Echostar Satellite Corporation	Echostar Technologies Corporation
By: -------------------------	By: ---------------------------
Title: -------------------------	Title: ---------------------------
Date: -------------------------	Date: ---------------------------

Thomson multimedia Inc.

By: -------------------------

Title: -------------------------

Date: -------------------------

EXHIBIT 10.8

Third Amendment to Memorandum
OEM Manufacturing Agreement

The Memorandum OEM Manufacturing Agreement ("MOEMMA") with an effective date of January 9, 2002 by and among EchoStar Satellite Corporation, EchoStar Technologies Corporation and Thomson multimedia, Inc. is hereby amended as follows:

1. The 6th sentence of Section 2.4 is amended to read:

   In the event that for any reason an agreement [CONFIDENTIAL INFORMATION REDACTED] has not been executed by Licensee, ETC and ESC on [CONFIDENTIAL INFORMATION REDACTED], then notwithstanding anything else in this MOEMMA to the contrary, this MOEMMA shall terminate.

2. The MOEMMA shall remain in all other respects unchanged.

Echostar Satellite Corporation		Echostar Technologies Corporation	
By:	-------------------------	By:	---------------------------
Title:	-------------------------	Title:	---------------------------
Date:	-------------------------	Date:	---------------------------

Thomson multimedia Inc.

By: -------------------------

Title: -------------------------

Date: -------------------------