UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2021.

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: 001-39144

DISH Network Corporation

(Exact name of registrant as specified in its charter)

Nevada (State or other jurisdiction of incorporation or organization)	**88-0336997** (I.R.S. Employer Identification No.)
9601 South Meridian Boulevard **Englewood, Colorado** (Address of principal executive offices)	**80112** (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)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, $0.01 par value	DISH	The Nasdaq Stock Market L.L.C.

Securities registered pursuant to Section 12(g) of the Act: **None**

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 ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒	Accelerated filer ☐
Non-accelerated filer ☐	Smaller reporting company ☐
	Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 25, 2021, the registrant's outstanding common stock consisted of 290,357,069 shares of Class A common stock and 238,435,208 shares of Class B common stock.

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PART I — FINANCIAL INFORMATION

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

Unless otherwise required by the context, in this report, the words “DISH Network,” the “Company,” “we,” “our” and “us” refer to DISH Network Corporation and its subsidiaries, “EchoStar” refers to EchoStar Corporation and its subsidiaries, and “DISH DBS” refers to DISH DBS Corporation, a wholly-owned, indirect subsidiary of DISH Network, and its subsidiaries.

This Quarterly Report on Form 10-Q contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including, in particular, statements about our plans, objectives and strategies, growth opportunities in our industries and businesses, our expectations regarding future results, financial condition, liquidity and capital requirements, our estimates regarding the impact of regulatory developments and legal proceedings, and other trends and projections. Forward-looking statements are not historical facts and may be identified by words such as “future,” “anticipate,” “intend,” “plan,” “goal,” “seek,” “believe,” “estimate,” “expect,” “predict,” “will,” “would,” “could,” “can,” “may,” and similar terms. These forward-looking statements are based on information available to us as of the date of this Quarterly Report on Form 10-Q and represent management’s current views and assumptions. Forward-looking statements are not guarantees of future performance, events or results and involve known and unknown risks, uncertainties and other factors, which may be beyond our control. Accordingly, actual performance, events or results could differ materially from those expressed or implied in the forward-looking statements due to a number of factors, including, but not limited to, the following:

SUMMARY OF RISK FACTORS

COVID-19 Pandemic

- The COVID-19 pandemic and its impact on the economic environment generally, and on us specifically, have adversely impacted our business. Furthermore, any continuation or worsening of the pandemic and economic environment could have a material adverse effect on our business, financial condition and results of operations.

Competition and Economic Risks

- We face intense and increasing competition from providers of video, broadband and/or wireless services, which may require us to further increase subscriber acquisition and retention spending or accept lower subscriber activations and higher subscriber churn.
- Changing consumer behavior and new technologies in our Pay-TV business may reduce our subscriber activations and may cause our subscribers to purchase fewer services from us or to cancel our services altogether, resulting in less revenue to us.
- We face certain risks competing in the wireless services industry and operating a facilities-based wireless services business.
- Our pay-TV competitors may be able to leverage their relationships with programmers to reduce their programming costs and/or offer exclusive content that will place them at a competitive advantage to us.
- Through the MNSA, we depend primarily on T-Mobile in providing services to our retail wireless subscribers, and any system failure related to T-Mobile’s wireless network, interruption in the services provided by T-Mobile, including the shutdown of its CDMA Network on or around January 1, 2022, which T-Mobile announced on October 22, 2021 will be extended to March 31, 2022, and/or the termination of the MNSA could negatively impact our subscriber activations, our subscriber churn rate and our subscriber base, which in turn could have a material adverse effect our business, financial condition and results of operations.
- Changes in how network operators handle and charge for access to data that travels across their networks could adversely impact our Pay-TV business.
- Economic weakness and uncertainty may adversely affect our ability to grow or maintain our business.

Operational and Service Delivery Risks

- Any deterioration in our operational performance and subscriber satisfaction could adversely affect our business, financial condition and results of operations.
- If our subscriber activations decrease, or if our subscriber churn rate, subscriber acquisition costs or retention costs increase, our financial performance will be adversely affected.
- With respect to our Pay-TV business, programming expenses are increasing, which may adversely affect our future financial condition and results of operations.
- We depend on others to provide the programming that we offer to our Pay-TV subscribers and, if we fail to obtain or lose access to certain programming, our Pay-TV subscriber activations and our subscriber churn rate may be negatively impacted.
- We may not be able to obtain necessary retransmission consent agreements at acceptable rates, or at all, from local network stations.
- Any failure or inadequacy of our information technology infrastructure and communications systems or those of third parties that we use in our operations, including, without limitation, those caused by cyber-attacks or other malicious activities, could disrupt or harm our business.
- Our failure to effectively invest in, introduce, and implement new competitive products and services could cause our products and services to become obsolete and could negatively impact our business.
- We rely on a single vendor or a limited number of vendors to provide certain key products or services to us, and the inability of these key vendors to meet our needs could have a material adverse effect on our business.
- We depend on independent third parties to solicit orders for our services that represent a meaningful percentage of our total gross new subscriber activations.
- We have limited satellite capacity and failures or reduced capacity could adversely affect our business, financial condition and results of operations.
- We may have potential conflicts of interest with EchoStar due to our common ownership and management.
- We rely on highly skilled personnel for our business, and any inability to hire and retain key personnel or hire qualified personnel may negatively affect our business, financial condition and results of operations.

Acquisition and Capital Structure Risks

- We have made substantial investments to acquire certain wireless spectrum licenses and other related assets, and we may be unable to realize a return on these assets.
- We have made substantial non-controlling investments in the Northstar Entities and the SNR Entities related to AWS-3 wireless spectrum licenses, and we may be unable to obtain a profitable return on these investments.
- We may pursue acquisitions and other strategic transactions to complement or expand our business that may not be successful, and we may lose up to the entire value of our investment in these acquisitions and transactions.
- We have substantial debt outstanding and may incur additional debt.
- We may need additional capital, which may not be available on acceptable terms or at all, to continue investing in our business and to finance acquisitions and other strategic transactions.
- The conditional conversion features of our 3 3/8% Convertible Notes due 2026 (the “Convertible Notes due 2026”), our 2 3/8% Convertible Notes due 2024 (the “Convertible Notes due 2024”) and 0% Convertible Notes due 2025 (the “Convertible Notes due 2025,” and collectively with the Convertible Notes due 2026 and the Convertible Notes due 2024, the “Convertible Notes”), if triggered, may adversely affect our financial condition.

- The convertible note hedge and warrant transactions that we entered into in connection with the offering of the Convertible Notes due 2026 may affect the value of the Convertible Notes due 2026 and our Class A common stock.
- We are subject to counterparty risk with respect to the convertible note hedge transactions.
- From time to time a portion of our investment portfolio may be invested in securities that have limited liquidity and may not be immediately accessible to support our financing needs.
- We are controlled by one principal stockholder who is also our Chairman.
- It may be difficult for a third party to acquire us, even if doing so may be beneficial to our shareholders, because of our ownership structure.

Legal and Regulatory Risks

- Our business depends on certain intellectual property rights and on not infringing the intellectual property rights of others.
- We are, and may become, party to various lawsuits which, if adversely decided, could have a significant adverse impact on our business, particularly lawsuits regarding intellectual property.
- Our services depend on FCC licenses that can expire or be revoked or modified and applications for FCC licenses that may not be granted.
- If our internal controls are not effective, our business, stock price and investor confidence in our financial results may be adversely affected.
- We may face other risks described from time to time in periodic and current reports we file with the Securities and Exchange Commission ("SEC").

Other factors that could cause or contribute to such differences include, but are not limited to, those discussed under the caption "Risk Factors" in Part I, Item 1A of our most recent Annual Report on Form 10-K (the "10-K") filed with the SEC, those discussed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" herein and in the 10-K and those discussed in other documents we file with the SEC. All cautionary statements made or referred to herein should be read as being applicable to all forward-looking statements wherever they appear. Investors should consider the risks and uncertainties described or referred to herein and should not place undue reliance on any forward-looking statements. The forward-looking statements speak only as of the date made, and we expressly disclaim any obligation to update these forward-looking statements.

Item 1. FINANCIAL STATEMENTS

DISH NETWORK CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars in thousands, except share amounts)
(Unaudited)

	As of	
	September 30, 2021	December 31, 2020
Assets		
Current Assets:		
Cash and cash equivalents	$ 2,280,278	$ 3,370,092
Marketable investment securities	2,967,545	362,953
Trade accounts receivable, net of allowance for credit losses of $47,981 and $72,278, respectively	1,002,052	1,104,202
Inventory	470,826	380,349
Other current assets	557,836	1,804,562
Total current assets	7,278,537	7,022,158
Noncurrent Assets:		
Restricted cash, cash equivalents and marketable investment securities	105,038	108,369
Property and equipment, net	2,733,802	2,182,333
FCC authorizations	28,414,493	26,903,939
Other investment securities	155,034	149,706
Operating lease assets	853,140	104,271
Other noncurrent assets, net	967,643	1,009,045
Intangible assets, net	706,550	760,126
Total noncurrent assets	33,935,700	31,217,789
Total assets	$ 41,214,237	$ 38,239,947
Liabilities and Stockholders' Equity (Deficit)		
Current Liabilities:		
Trade accounts payable	$ 693,184	$ 395,397
Deferred revenue and other	746,615	855,718
Accrued programming	1,346,906	1,388,407
Accrued interest	173,606	264,118
Other accrued expenses	1,282,904	1,095,486
Current portion of long-term debt and finance lease obligations	2,066,129	2,085,620
Total current liabilities	6,309,344	6,084,746
Long-Term Obligations, Net of Current Portion:		
Long-term debt and finance lease obligations, net of current portion (Note 10)	14,138,060	13,616,408
Deferred tax liabilities	4,142,341	3,869,570
Operating lease liabilities	818,931	63,526
Long-term deferred revenue and other long-term liabilities	467,408	474,404
Total long-term obligations, net of current portion	19,566,740	18,023,908
Total liabilities	25,876,084	24,108,654
Commitments and Contingencies (Note 11)		
Redeemable noncontrolling interests (Note 2)	382,301	350,648
Stockholders' Equity (Deficit):		
Class A common stock, $.01 par value, 1,600,000,000 shares authorized, 290,338,416 and 287,720,957 shares issued and outstanding, respectively	2,903	2,877
Class B common stock, $.01 par value, 800,000,000 shares authorized, 238,435,208 shares issued and outstanding	2,384	2,384
Additional paid-in capital	4,715,015	5,400,774
Accumulated other comprehensive income (loss)	1,204	(855)
Accumulated earnings (deficit)	10,233,288	8,374,975
Total DISH Network stockholders' equity (deficit)	14,954,794	13,780,155
Noncontrolling interests	1,058	490
Total stockholders' equity (deficit)	14,955,852	13,780,645
Total liabilities and stockholders' equity (deficit)	$ 41,214,237	$ 38,239,947

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

DISH NETWORK CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
AND COMPREHENSIVE INCOME (LOSS)
(Dollars in thousands, except per share amounts)
(Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2021	**2020**	**2021**	**2020**
Revenue:				
Service revenue	$ 4,213,235	$ 4,222,145	$ 12,677,130	$ 10,537,999
Equipment sales and other revenue	236,400	309,446	757,318	398,071
Total revenue	4,449,635	4,531,591	13,434,448	10,936,070
Costs and Expenses (exclusive of depreciation):				
Cost of services	2,567,210	2,488,969	7,641,029	6,505,116
Cost of sales - equipment and other	380,710	515,643	1,154,020	586,672
Selling, general and administrative expenses	606,719	516,648	1,596,314	1,376,861
Impairment of long-lived assets (Note 2)	—	—	—	356,418
Depreciation and amortization	177,291	199,083	554,066	518,027
Total costs and expenses	3,731,930	3,720,343	10,945,429	9,343,094
Operating income (loss)	717,705	811,248	2,489,019	1,592,976
Other Income (Expense):				
Interest income	2,207	1,647	7,463	21,440
Interest expense, net of amounts capitalized	(4,203)	6,778	(11,901)	(20,322)
Other, net	31,069	(13,200)	18,598	(11,592)
Total other income (expense)	29,073	(4,775)	14,160	(10,474)
Income (loss) before income taxes	746,778	806,473	2,503,179	1,582,502
Income tax (provision) benefit, net	(179,258)	(273,514)	(612,645)	(469,864)
Net income (loss)	567,520	532,959	1,890,534	1,112,638
Less: Net income (loss) attributable to noncontrolling interests, net of tax	10,478	28,360	32,221	82,597
Net income (loss) attributable to DISH Network	$ 557,042	$ 504,599	$ 1,858,313	$ 1,030,041
Weighted-average common shares outstanding - Class A and B common stock:				
Basic	528,229	525,532	527,503	524,329
Diluted	636,440	583,957	635,218	582,595
Earnings per share - Class A and B common stock:				
Basic net income (loss) per share attributable to DISH Network	$ 1.05	$ 0.96	$ 3.52	$ 1.96
Diluted net income (loss) per share attributable to DISH Network	$ 0.88	$ 0.86	$ 2.93	$ 1.77
Comprehensive Income (Loss):				
Net income (loss)	$ 567,520	$ 532,959	$ 1,890,534	$ 1,112,638
Other comprehensive income (loss):				
Foreign currency translation adjustments	674	1,411	2,894	(1,735)
Unrealized holding gains (losses) on available-for-sale debt securities	(80)	(21)	(101)	(62)
Recognition of previously unrealized (gains) losses on available-for-sale securities included in net income (loss)	(12)	43	(13)	(11)
Deferred income tax (expense) benefit, net	(140)	(352)	(721)	243
Total other comprehensive income (loss), net of tax	442	1,081	2,059	(1,565)
Comprehensive income (loss)	567,962	534,040	1,892,593	1,111,073
Less: Comprehensive income (loss) attributable to noncontrolling interests, net of tax	10,478	28,360	32,221	82,597
Comprehensive income (loss) attributable to DISH Network	$ 557,484	$ 505,680	$ 1,860,372	$ 1,028,476

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

DISH NETWORK CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)
(In thousands)
(Unaudited)

	Class A and B Common Stock	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Earnings (Deficit)	Noncontrolling Interests	Total	Redeemable Noncontrolling Interests
Balance, December 31, 2019	$ 5,230	$ 4,947,007	$ (18)	$ 6,612,302	$ (449)	$ 11,564,072	$ 552,075
Issuance of Class A common stock:							
Exercise of stock awards	—	395	—	—	—	395	—
Employee Stock Purchase Plan	3	5,127	—	—	—	5,130	—
Non-cash, stock-based compensation	—	16,418	—	—	—	16,418	—
Change in unrealized holding gains (losses) on available-for-sale debt securities, net	—	—	(208)	—	—	(208)	—
Deferred income tax (expense) benefit attributable to other comprehensive income (loss)	—	—	49	—	—	49	—
Foreign currency translation	—	—	375	—	—	375	—
Net income (loss) attributable to noncontrolling interests	—	—	—	—	263	263	25,912
Net income (loss) attributable to DISH Network	—	—	—	73,099	—	73,099	—
Balance, March 31, 2020	$ 5,233	$ 4,968,947	$ 198	$ 6,685,401	$ (186)	$ 11,659,593	$ 577,987
Issuance of Class A common stock:							
Exercise of stock awards	3	(663)	—	—	—	(660)	—
Employee benefits	8	28,293	—	—	—	28,301	—
Employee Stock Purchase Plan	2	4,209	—	—	—	4,211	—
Non-cash, stock-based compensation	—	18,393	—	—	—	18,393	—
Change in unrealized holding gains (losses) on available-for-sale debt securities, net	—	—	113	—	—	113	—
Deferred income tax (expense) benefit attributable to other comprehensive income (loss)	—	—	546	—	—	546	—
Foreign currency translation	—	—	(3,521)	—	—	(3,521)	—
Net income (loss) attributable to noncontrolling interests	—	—	—	—	235	235	27,828
Net income (loss) attributable to DISH Network	—	—	—	452,343	—	452,343	—
Other	—	—	—	—	(17)	(17)	—
Balance, June 30, 2020	$ 5,246	$ 5,019,179	$ (2,664)	$ 7,137,744	$ 32	$ 12,159,537	$ 605,815
Issuance of Class A common stock:							
Exercise of stock awards	12	8,353	—	—	—	8,365	—
Employee Stock Purchase Plan	1	4,570	—	—	—	4,571	—
Non-cash, stock-based compensation	—	13,135	—	—	—	13,135	—
Change in unrealized holding gains (losses) on available-for-sale debt securities, net	—	—	22	—	—	22	—
Deferred income tax (expense) benefit attributable to other comprehensive income (loss)	—	—	(352)	—	—	(352)	—
Foreign currency translation	—	—	1,411	—	—	1,411	—
Net income (loss) attributable to noncontrolling interests	—	—	—	—	225	225	28,134
Net income (loss) attributable to DISH Network	—	—	—	504,599	—	504,599	—
Balance, September 30, 2020	$ 5,259	$ 5,045,237	$ (1,583)	$ 7,642,343	$ 257	$ 12,691,513	$ 633,949

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

DISH NETWORK CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT) - Continued
(In thousands)
(Unaudited)

	Class A and B Common Stock	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Earnings (Deficit)	Noncontrolling Interests	Total	Redeemable Noncontrolling Interests
Balance, December 31, 2020	$ 5,261	$ 5,400,774	$ (855)	$ 8,374,975	$ 490	$ 13,780,645	$ 350,648
Issuance of Class A common stock:							
Exercise of stock awards	1	2,046	—	—	—	2,047	—
Employee benefits	9	30,294	—	—	—	30,303	—
Employee Stock Purchase Plan	2	4,341	—	—	—	4,343	—
Non-cash, stock-based compensation	—	19,375	—	—	—	19,375	—
Change in unrealized holding gains (losses) on available-for-sale debt securities, net	—	—	(5)	—	—	(5)	—
Deferred income tax (expense) benefit attributable to other comprehensive income (loss)	—	—	(498)	—	—	(498)	—
Foreign currency translation	—	—	1,842	—	—	1,842	—
Convertible debt reclassified per ASU 2020-06, net of deferred taxes of $245,778 (Note 2)	—	(805,566)	—	—	—	(805,566)	—
Net income (loss) attributable to noncontrolling interests	—	—	—	—	210	210	11,129
Net income (loss) attributable to DISH Network	—	—	—	630,224	—	630,224	—
Balance, March 31, 2021	$ 5,273	$ 4,651,264	$ 484	$ 9,005,199	$ 700	$ 13,662,920	$ 361,777
Issuance of Class A common stock:							
Exercise of stock awards	4	14,425	—	—	—	14,429	—
Employee Stock Purchase Plan	1	4,273	—	—	—	4,274	—
Non-cash, stock-based compensation	—	546	—	—	—	546	—
Change in unrealized holding gains (losses) on available-for-sale debt securities, net	—	—	(17)	—	—	(17)	—
Deferred income tax (expense) benefit attributable to other comprehensive income (loss)	—	—	(83)	—	—	(83)	—
Foreign currency translation	—	—	378	—	—	378	—
Net income (loss) attributable to noncontrolling interests	—	—	—	—	198	198	10,206
Net income (loss) attributable to DISH Network	—	—	—	671,047	—	671,047	—
Balance, June 30, 2021	$ 5,278	$ 4,670,508	$ 762	$ 9,676,246	$ 898	$ 14,353,692	$ 371,983
Issuance of Class A common stock:							
Exercise of stock awards	8	23,115	—	—	—	23,123	—
Employee benefits	—	18	—	—	—	18	—
Employee Stock Purchase Plan	1	4,631	—	—	—	4,632	—
Non-cash, stock-based compensation	—	16,743	—	—	—	16,743	—
Change in unrealized holding gains (losses) on available-for-sale debt securities, net	—	—	(92)	—	—	(92)	—
Deferred income tax (expense) benefit attributable to other comprehensive income (loss)	—	—	(140)	—	—	(140)	—
Foreign currency translation	—	—	674	—	—	674	—
Net income (loss) attributable to noncontrolling interests	—	—	—	—	160	160	10,318
Net income (loss) attributable to DISH Network	—	—	—	557,042	—	557,042	—
Balance, September 30, 2021	$ 5,287	$ 4,715,015	$ 1,204	$ 10,233,288	$ 1,058	$ 14,955,852	$ 382,301

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

DISH NETWORK CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	For the Nine Months Ended September 30, 2021	2020
Cash Flows From Operating Activities:		
Net income (loss)	$ 1,890,534	$ 1,112,638
Adjustments to reconcile net income (loss) to net cash flows from operating activities:		
Depreciation and amortization	554,066	518,027
Impairment of long-lived assets (Note 2)	—	356,418
Realized and unrealized losses (gains) on investments and derivatives and other	23,283	12,273
Non-cash, stock-based compensation	36,664	47,946
Deferred tax expense (benefit)	517,822	765,088
Changes in allowance for credit losses	(24,389)	24,648
Change in long-term deferred revenue and other long-term liabilities	(13,446)	(240,302)
Other, net	36,028	(3,828)
Changes in current assets and current liabilities, net	239,105	124,783
Net cash flows from operating activities	3,259,667	2,717,691
Cash Flows From Investing Activities:		
Purchases of marketable investment securities	(3,894,347)	(1,549,857)
Sales and maturities of marketable investment securities	1,273,156	968,976
Purchases of property and equipment	(711,955)	(309,549)
Capitalized interest related to FCC authorizations (Note 2)	(677,356)	(646,265)
Refund of FCC authorization deposit (Note 11)	337,490	—
Purchases of FCC authorizations, including deposits	—	(317,190)
Boost Mobile Acquisition (Note 5)	—	(1,312,500)
Other, net	(163,921)	(14,108)
Net cash flows from investing activities	(3,836,933)	(3,180,493)
Cash Flows From Financing Activities:		
Repayment of long-term debt and finance lease obligations	(74,237)	(77,280)
Redemption and repurchases of senior notes	(2,000,000)	(1,100,000)
Proceeds from issuance of senior notes	1,500,000	1,000,000
Early debt extinguishment costs	(3,368)	—
Net proceeds from Class A common stock options exercised and stock issued under the Employee Stock Purchase Plan	37,777	22,012
Debt issuance costs	(9,819)	(1,670)
Other, net	17,441	1
Net cash flows from financing activities	(532,206)	(156,937)
Net increase (decrease) in cash, cash equivalents, restricted cash and cash equivalents	(1,109,472)	(619,739)
Cash, cash equivalents, restricted cash and cash equivalents, beginning of period (Note 6)	3,453,994	2,504,320
Cash, cash equivalents, restricted cash and cash equivalents, end of period (Note 6)	$ 2,344,522	$ 1,884,581

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

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Organization and Business Activities

Principal Business

DISH Network Corporation is a holding company. Its subsidiaries (which together with DISH Network Corporation are referred to as "DISH Network," the "Company," "we," "us" and/or "our," unless otherwise required by the context) operate two primary business segments, Pay-TV and Wireless. Our Wireless business segment operates in two business units, Retail Wireless and 5G Network Deployment.

Pay-TV

We offer pay-TV services under the DISH® brand and the SLING® brand (collectively "Pay-TV" services). The DISH branded pay-TV service consists of, among other things, FCC licenses authorizing us to use direct broadcast satellite ("DBS") and Fixed Satellite Service ("FSS") spectrum, our owned and leased satellites, receiver systems, broadcast operations, a leased fiber optic network, in-home service and call center operations, and certain other assets utilized in our operations ("DISH TV"). We also design, develop and distribute receiver systems and provide digital broadcast operations, including satellite uplinking/downlinking, transmission and other services to third-party pay-TV providers. The SLING branded pay-TV services consist of, among other things, multichannel, live-linear streaming over-the-top ("OTT") Internet-based domestic, international and Latino video programming services ("SLING TV"). As of September 30, 2021, we had 10.980 million Pay-TV subscribers in the United States, including 8.424 million DISH TV subscribers and 2.556 million SLING TV subscribers.

Wireless – Retail Wireless

We entered the retail wireless business in 2020 as a result of the Boost Mobile Acquisition and the Ting Mobile Acquisition and we expanded the business in 2021 through the Republic Wireless Acquisition (as defined below). See Note 5 for further information. We offer nationwide prepaid and postpaid retail wireless services to subscribers under our Boost Mobile, Ting Mobile and Republic Wireless brands, as well as a competitive portfolio of wireless devices. Prepaid wireless subscribers generally pay in advance for monthly access to wireless talk, text, and data services. Postpaid wireless subscribers generally are qualified to pay after receiving wireless talk, text, and data services. We are currently operating our retail wireless business unit as a mobile virtual network operator ("MVNO") while we build our 5G broadband network. As an MVNO, today we primarily depend on T-Mobile US, Inc., ("T-Mobile") to provide us with network services under the MNSA (as defined below). In addition, on July 14, 2021, we entered into a ten-year Network Services Agreement (the "NSA") with AT&T to provide us with network services. Under the NSA, we expect AT&T will become our primary network services provider. We acquired over 9 million subscribers as a result of the Boost Mobile Acquisition, acquired over 200,000 subscribers as a result of the Ting Mobile Acquisition and acquired over 200,000 subscribers as a result of the Republic Wireless Acquisition. Our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) for the three and nine months ended September 30, 2021 and 2020 includes the results of the Boost Mobile Acquisition from July 1, 2020, the Ting Mobile Acquisition from August 1, 2020 and the Republic Wireless Acquisition from May 1, 2021. As of September 30, 2021, we had 8.774 million retail wireless subscribers.

Wireless – 5G Network Deployment

We have directly invested over $12 billion to acquire certain wireless spectrum licenses and related assets and made over $10 billion in non-controlling investments in certain entities, for a total of over $22 billion. The $22 billion of investments related to wireless spectrum licenses does not include $6 billion of capitalized interest related to the carrying value of such licenses. See Note 2 for further information on capitalized interest.

DISH Network Spectrum

We have directly invested over $12 billion to acquire certain wireless spectrum licenses and related assets. These wireless spectrum licenses are subject to certain interim and final build-out requirements, as well as certain renewal requirements. We plan to commercialize our wireless spectrum licenses through the completion of the nation's first cloud-native, Open Radio Access Network ("O-RAN") based 5G network (our "5G Network Deployment"). To that end, we have undertaken several key steps including identifying markets to build out, making executive and management hires and entering into agreements with key vendors. For example, on November 16, 2020, we announced a long-term agreement with Crown Castle pursuant to which Crown Castle will lease us space on up to 20,000 communication towers. As part of the agreement, we will also receive certain fiber transport services and have the option to utilize Crown Castle for pre-construction services. We entered into a similar agreement with American Tower on March 15, 2021 and have also entered into agreements with a number of other tower providers. We have also entered into multiple long-term agreements with vendors including, among others, Amazon, Dell, Fujitsu, Palo Alto and VMware for cloud computing service, radios, software, network security, and other services related to our 5G Network Deployment. We currently have over 35 markets under construction, including Las Vegas, Nevada, and also commenced the initial launch of consumer beta service in Las Vegas.

Prior to starting our 5G Network Deployment, we notified the FCC in March 2017 that we planned to deploy a narrowband IoT network on certain of these wireless licenses, which we expected to complete by March 2020, with subsequent phases to be completed thereafter. In light of, among other things, certain developments related to the Sprint/T-Mobile merger, during the first quarter of 2020, we determined that the revision of certain of our build-out deadlines was probable and, therefore, we no longer intended to complete our narrowband IoT deployment. The FCC issued an Order effectuating the build-out deadline changes contemplated above on September 11, 2020. During the first quarter of 2020, we impaired certain assets that would not be utilized in our 5G Network Deployment, resulting in a $253 million non-cash impairment charge in "Impairment of long-lived assets" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

We will need to make significant additional investments or partner with others to, among other things, complete our 5G Network Deployment and further commercialize, build-out and integrate these licenses and related assets and any additional acquired licenses and related assets, as well as to comply with regulations applicable to such licenses. Depending on the nature and scope of such activities, any such investments or partnerships could vary significantly. In addition, as we complete our 5G Network Deployment we will incur significant additional expenses and will have to make significant investments related to, among other things, research and development, wireless testing and wireless network infrastructure. We may also determine that additional wireless spectrum licenses may be required to complete our 5G Network Deployment and to compete with other wireless service providers. See Note 2 and Note 11 for further information.

DISH Network Non-Controlling Investments in the Northstar Entities and the SNR Entities Related to AWS-3 Wireless Spectrum Licenses

During 2015, through our wholly-owned subsidiaries American AWS-3 Wireless II L.L.C. ("American II") and American AWS-3 Wireless III L.L.C. ("American III"), we initially made over $10 billion in certain non-controlling investments in Northstar Spectrum, LLC ("Northstar Spectrum"), the parent company of Northstar Wireless, L.L.C. ("Northstar Wireless," and collectively with Northstar Spectrum, the "Northstar Entities"), and in SNR Wireless HoldCo, LLC ("SNR HoldCo"), the parent company of SNR Wireless LicenseCo, LLC ("SNR Wireless," and collectively with SNR HoldCo, the "SNR Entities"), respectively. On October 27, 2015, the FCC granted certain AWS-3 wireless spectrum licenses (the "AWS-3 Licenses") to Northstar Wireless and to SNR Wireless, respectively, which are recorded in "FCC authorizations" on our Condensed Consolidated Balance Sheets.

Under the applicable accounting guidance in Accounting Standards Codification 810, *Consolidation* ("ASC 810"), Northstar Spectrum and SNR HoldCo are considered variable interest entities and, based on the characteristics of the structure of these entities and in accordance with the applicable accounting guidance, we consolidate these entities into our financial statements. See Note 2 for further information.

The AWS-3 Licenses are subject to certain interim and final build-out requirements, as well as certain renewal requirements. The Northstar Entities and/or the SNR Entities may need to raise significant additional capital in the future, which may be obtained from third party sources or from us, so that the Northstar Entities and the SNR Entities may commercialize, build-out and integrate these AWS-3 Licenses, comply with regulations applicable to such AWS-3 Licenses, and make any potential Northstar Re-Auction Payment and SNR Re-Auction Payment for the AWS-3 licenses retained by the FCC. Depending upon the nature and scope of such commercialization, build-out and integration efforts, regulatory compliance, and potential Northstar Re-Auction Payment and SNR Re-Auction Payment, any loans, equity contributions or partnerships could vary significantly. There can be no assurance that we will be able to obtain a profitable return on our non-controlling investments in the Northstar Entities and the SNR Entities. See Note 11 for further information.

Recent Developments

Boost Mobile Acquisition

Asset Purchase Agreement

On July 26, 2019, we entered into an Asset Purchase Agreement (the "APA") with T-Mobile and Sprint Corporation ("Sprint" and together with T-Mobile, the "Sellers" and given the consummation of the Sprint/T-Mobile merger, sometimes referred to as "NTM") to acquire from NTM certain assets and liabilities associated with Sprint's Boost Mobile and Sprint-branded prepaid mobile services businesses (the "Prepaid Business") for an aggregate purchase price of $1.4 billion, as adjusted for specific categories of net working capital on the closing date (the "Boost Mobile Acquisition"). Effective July 1, 2020 (the "Closing Date"), upon the terms and subject to the conditions set forth in the APA and in accordance with the Final Judgment (as defined below), we and T-Mobile completed the Boost Mobile Acquisition.

In connection with the Boost Mobile Acquisition and the consummation of the Sprint/T-Mobile merger, we, T-Mobile, Sprint, Deutsche Telekom AG ("DT") and SoftBank Group Corporation ("SoftBank") came to an agreement with the United States Department of Justice (the "DOJ") on key terms and approval of the Transaction Agreements (as defined below) and our wireless service business and spectrum. On July 26, 2019, we, T-Mobile, Sprint, DT and SoftBank (collectively, the "Defendants") entered into a Stipulation and Order (the "Stipulation and Order") with the DOJ binding the Defendants to a Proposed Final Judgment (the "Proposed Final Judgment") which memorialized the agreement between the DOJ and the Defendants. The Stipulation and Order and the Proposed Final Judgment were filed in the United States District Court for the District of Columbia (the "District Court") on July 26, 2019 and on April 1, 2020, the Proposed Final Judgment was entered with the District Court (the Proposed Final Judgment as so entered with the District Court, the "Final Judgment") and the Sellers consummated the Sprint/T-Mobile merger.

The term of the Final Judgment is seven years from the date of its entry with the District Court or five years if the DOJ gives notice that the divestitures, build-outs and other requirements have been completed to its satisfaction. A Monitoring Trustee has been appointed by the District Court. The Monitoring Trustee has the power and authority to monitor the Defendants' compliance with the Final Judgment and settle disputes among the Defendants regarding compliance with the provisions of the Final Judgment and may recommend action to the DOJ in the event a party fails to comply with the Final Judgment. See Note 5 for further information on the Stipulation and Order and the Final Judgment, including our build-out commitments.

Also in connection with the closing of the Boost Mobile Acquisition, we and T-Mobile entered into a transition services agreement under which we will receive certain transitional services (the "TSA"), a master network services agreement for the provision of network services by T-Mobile to us (the "MNSA"), an option agreement entitling us to acquire certain decommissioned cell sites and retail stores of T-Mobile (the "Option Agreement") and an agreement under which we would purchase all of Sprint's 800 MHz spectrum licenses, totaling approximately 13.5 MHz of nationwide wireless spectrum for an additional approximately $3.59 billion (the "Spectrum Purchase Agreement" and together with the APA, the TSA, the MNSA and the Option Agreement, the "Transaction Agreements"). See Note 5 for further information on the Transaction Agreements.

Ting Mobile Acquisition

On August 1, 2020, we completed an asset purchase agreement with Tucows Inc. ("Tucows") pursuant to which we purchased the assets of Ting Mobile, including over 200,000 Ting Mobile subscribers (the "Ting Mobile Acquisition"). In addition, we entered into a services agreement pursuant to which Tucows will act as a mobile virtual network enabler for certain of our retail wireless subscribers. The consideration for the Ting Mobile Acquisition is an earn-out provision and the fair value of the earn-out provision has been assigned to a customer relationship intangible that is recorded in "Intangible assets, net." The estimated fair value of the earn-out liability is recorded in "Other accrued expenses" and "Long-term deferred revenue and other long-term liabilities" on our Condensed Consolidated Balance Sheets. See Note 5 for further information.

Republic Wireless Acquisition

On May 1, 2021, we completed an asset purchase agreement with Republic Wireless Inc. ("Republic Wireless") pursuant to which we purchased certain assets and liabilities of Republic Wireless, including approximately 200,000 wireless subscribers (the "Republic Wireless Acquisition"). The consideration for the Republic Wireless Acquisition consisted of an upfront cash payment and an earn-out provision. The fair value of the consideration has been assigned to customer relationship and tradename intangibles, and goodwill that are recorded in "Intangible assets, net" on our Condensed Consolidated Balance Sheets. The estimated fair value of the earn-out liability is recorded in "Other accrued expenses" and "Long-term deferred revenue and other long-term liabilities" on our Condensed Consolidated Balance Sheets.

We accounted for the Boost Mobile Acquisition, the Ting Mobile Acquisition and the Republic Wireless Acquisition as business combinations. The identifiable assets acquired and liabilities assumed were recorded at their estimated fair values as of the acquisition date and are consolidated into our financial statements. See Note 5 for further information.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited Condensed Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") 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 notes required for complete financial statements prepared under GAAP. In our opinion, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. Our results of operations for the interim periods presented are not necessarily indicative of the results that may be expected for the full year. For further information, refer to the Consolidated Financial Statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2020. Certain prior period amounts have been reclassified to conform to the current period presentation.

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

Principles of Consolidation

We consolidate all majority owned subsidiaries, investments in entities in which we have controlling influence and variable interest entities where we have been determined to be the primary beneficiary. Minority interests are recorded as noncontrolling interests or redeemable noncontrolling interests. See below for further information. Non-consolidated investments are accounted for using the equity method when we have the ability to significantly influence the operating decisions of the investee. When we do not have the ability to significantly influence the operating decisions of an investee, these equity securities are classified as either marketable investment securities or other investments and recorded at fair value with changes recognized in “Other, net” within “Other Income (Expense)” on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). All significant intercompany accounts and transactions have been eliminated in consolidation.

Redeemable Noncontrolling Interests

Northstar Wireless. Northstar Wireless is a wholly-owned subsidiary of Northstar Spectrum, which is an entity owned by Northstar Manager, LLC (“Northstar Manager”) and us. Under the applicable accounting guidance in ASC 810, Northstar Spectrum is considered a variable interest entity and, based on the characteristics of the structure of this entity and in accordance with the applicable accounting guidance, we consolidate Northstar Spectrum into our financial statements. The Northstar Operative Agreements, as amended, provide for, among other things, that Northstar Manager has the ability, but not the obligation, to require Northstar Spectrum to purchase Northstar Manager’s ownership interests in Northstar Spectrum (the “Northstar Put Right”) for a purchase price that equals its equity contribution to Northstar Spectrum plus a fixed annual rate of return. The First Northstar Put Window closed in the first quarter of 2021. The Second Northstar Put Window is currently open and expires on January 25, 2022.

Northstar Purchase Agreement. On December 30, 2020, through our wholly owned subsidiary American II, we entered into a Purchase Agreement (the “Northstar Purchase Agreement”) with Northstar Manager and Northstar Spectrum, pursuant to which American II purchased 80% of Northstar Manager’s Class B Common Interests in Northstar Spectrum (the “Northstar Transaction”) for a purchase price of approximately $312 million. As a result of the Northstar Transaction, through American II, we hold 97% of the Class B Common Interests in Northstar Spectrum and Northstar Manager holds 3% of the Class B Common Interests in Northstar Spectrum. Other than the change in ownership percentage of Northstar Spectrum, the Northstar Transaction did not modify or amend in any way the existing arrangements between or among the Northstar parties. In the Northstar Purchase Agreement, Northstar Manager waived its right to exercise the Northstar Put Right under the First Northstar Put Window. Northstar Manager retains its right to exercise the Northstar Put Right during the Second Northstar Put Window.

In the event that the Northstar Put Right is exercised by Northstar Manager, the consummation of the sale will be subject to FCC approval. Northstar Spectrum does not have a call right with respect to Northstar Manager’s ownership interests in Northstar Spectrum. Although Northstar Manager is the sole manager of Northstar Spectrum, Northstar Manager’s ownership interest is considered temporary equity under the applicable accounting guidance and is thus recorded as part of “Redeemable noncontrolling interests” in the mezzanine section of our Condensed Consolidated Balance Sheets. Northstar Manager’s ownership interest in Northstar Spectrum was initially accounted for at fair value. Subsequently, Northstar Manager’s ownership interest in Northstar Spectrum is increased by the fixed annual rate of return through “Redeemable noncontrolling interests” on our Condensed Consolidated Balance Sheets, with the offset recorded in “Net income (loss) attributable to noncontrolling interests, net of tax” on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). The operating results of Northstar Spectrum attributable to Northstar Manager are recorded as “Redeemable noncontrolling interests” on our Condensed Consolidated Balance Sheets, with the offset recorded in “Net income (loss) attributable to noncontrolling interests, net of tax” on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). See Note 11 for further information.

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

SNR Wireless. SNR Wireless is a wholly-owned subsidiary of SNR HoldCo, which is an entity owned by SNR Wireless Management, LLC ("SNR Management") and us. Under the applicable accounting guidance in ASC 810, SNR HoldCo is considered a variable interest entity and, based on the characteristics of the structure of this entity and in accordance with the applicable accounting guidance, we consolidate SNR HoldCo into our financial statements. The SNR Operative Agreements, as amended, provide for, among other things, that SNR Management has the ability, but not the obligation, to require SNR HoldCo to purchase SNR Management's ownership interests in SNR HoldCo (the "SNR Put Right") for a purchase price that equals its equity contribution to SNR HoldCo plus a fixed annual rate of return. The First SNR Put Window closed in the first quarter of 2021. The Second SNR Put Window is currently open and expires on January 25, 2022.

In the event that the SNR Put Right is exercised by SNR Management, the consummation of the sale will be subject to FCC approval. SNR HoldCo does not have a call right with respect to SNR Management's ownership interests in SNR HoldCo. Although SNR Management is the sole manager of SNR HoldCo, SNR Management's ownership interest is considered temporary equity under the applicable accounting guidance and is thus recorded as part of "Redeemable noncontrolling interests" in the mezzanine section of our Condensed Consolidated Balance Sheets. SNR Management's ownership interest in SNR HoldCo was initially accounted for at fair value. Subsequently, SNR Management's ownership interest in SNR HoldCo is increased by the fixed annual rate of return through "Redeemable noncontrolling interests" on our Condensed Consolidated Balance Sheets, with the offset recorded in "Net income (loss) attributable to noncontrolling interests, net of tax" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). The operating results of SNR HoldCo attributable to SNR Management are recorded as "Redeemable noncontrolling interests" on our Condensed Consolidated Balance Sheets, with the offset recorded in "Net income (loss) attributable to noncontrolling interests, net of tax" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). See Note 11 for further information.

As of September 30, 2021 and December 31, 2020, Northstar Manager's ownership interest in Northstar Spectrum and SNR Management's ownership interest in SNR HoldCo was $382 million and $351 million, respectively, recorded as "Redeemable noncontrolling interests" on our Condensed Consolidated Balance Sheets.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires us 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 revenue and expense for each reporting period. Estimates are used in accounting for, among other things, allowances for credit losses (including those related to our installment billing programs), self-insurance obligations, deferred taxes and related valuation allowances, uncertain tax positions, loss contingencies, fair value of financial instruments, fair value of options granted under our stock-based compensation plans, fair value of assets and liabilities acquired in business combinations, the fair value of our option to purchase T-Mobile's 800 MHz spectrum, relative standalone selling prices of performance obligations, finance leases, asset impairments, estimates of future cash flows used to evaluate and recognize impairments, useful lives of property, equipment and intangible assets, independent third-party retailer incentives, programming expenses and subscriber lives. Economic conditions may increase the inherent uncertainty in the estimates and assumptions indicated above. Actual results may differ from previously estimated amounts, and such differences may be material to our condensed consolidated financial statements. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected prospectively in the period they occur.

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

Impairment of Long-Lived Assets

We review our long-lived assets and identifiable finite-lived intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. For assets which are held and used in operations, the asset would be impaired if the carrying amount of the asset (or asset group) exceeded its undiscounted future net cash flows. Once an impairment is determined, the actual impairment recognized is the difference between the carrying amount and the fair value as estimated using one of the following approaches: income, cost and/or market. Assets which are to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. The carrying amount of a long-lived asset or asset group is considered impaired when the anticipated undiscounted cash flows from such asset or asset group is less than its carrying amount. In that event, a loss is recorded in "Impairment of long-lived assets" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) based on the amount by which the carrying amount exceeds the fair value of the long-lived asset or asset group. Fair value, using the income approach, is determined primarily using a discounted cash flow model that uses the estimated cash flows associated with the asset or asset group under review, discounted at a rate commensurate with the risk involved. Fair value, utilizing the cost approach, is determined based on the replacement cost of the asset reduced for, among other things, depreciation and obsolescence. Fair value, utilizing the market approach, benchmarks the fair value against the carrying amount.

DBS Satellites. We currently evaluate our DBS satellite fleet for impairment as one asset group whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. We do not believe any triggering event has occurred which would indicate impairment as of September 30, 2021 or December 31, 2020. We will continue to monitor the DBS satellite fleet for indicators of impairment, including monitoring the impact of the COVID-19 pandemic on all aspects of our business.

AWS-4 Satellites. We historically evaluated our AWS-4 satellite fleet for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. In light of, among other things, certain developments related to the Sprint/T-Mobile merger, during the first quarter of 2020, we determined that revisions to the AWS-4 build-out deadlines were probable, which we determined to be a triggering event. Accordingly, we quantitatively assessed the value of the AWS-4 satellites (T1 and D1) and wrote down the fair value of the satellites to their estimated fair value of zero, resulting in a $103 million non-cash impairment charge in "Impairment of long-lived assets" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

Narrowband IoT network. As discussed in Note 11, in March 2017, we notified the FCC that we planned to deploy a narrowband IoT network. In October 2019, we paused work on the narrowband IoT deployment. In light of, among other things, certain developments related to the Sprint/T-Mobile merger, during the first quarter of 2020, we determined that the revision of certain of our build-out deadlines were probable. Based on this, we no longer intended to complete our narrowband IoT deployment, which we considered a triggering event. As such, during the first quarter of 2020, we reviewed the capitalized costs of equipment, labor and other assets related to the narrowband IoT deployment, including our operating lease assets, and impaired those items that would not be utilized in our ongoing 5G Network Deployment, resulting in a $253 million non-cash impairment charge in "Impairment of long-lived assets" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

Impairment of long-lived assets recorded during the nine months ended September 30, 2020 consisted of the following:

	For the Nine Months Ended September 30, 2020	
	(In thousands)	
T1 satellite	$	48,120
D1 satellite		55,000
Construction in progress related to narrowband IoT deployment		226,742
Operating lease assets related to narrowband IoT deployment		26,556
Impairment of long-lived assets	$	356,418

Capitalized Interest

We capitalize interest associated with the acquisition or construction of certain assets, including, among other things, our wireless spectrum licenses, build-out costs associated with our 5G Network Deployment and satellites. Capitalization of interest begins when, among other things, steps are taken to prepare the asset for its intended use and ceases when the asset is ready for its intended use or when these activities are substantially suspended.

We are currently preparing for the commercialization of our wireless spectrum licenses, and Northstar Wireless and SNR Wireless are also preparing for the commercialization of their AWS-3 Licenses. As a result, the interest expense related to the carrying amount of these wireless spectrum licenses is being capitalized. The qualifying assets for these wireless spectrum licenses exceeds the carrying value of our long-term debt and finance lease obligations, therefore materially all of our interest expense is being capitalized.

Business Combinations

When we acquire a business, we allocate the purchase price to the various components of the acquisition based upon the fair value of each component using various valuation techniques, including the market approach, income approach and/or cost approach. The accounting standard for business combinations requires identifiable assets, liabilities, noncontrolling interests and goodwill acquired to be recorded at acquisition date fair values. Transaction costs related to the acquisition of the business are expensed as incurred. Costs associated with the issuance of debt associated with a business combination are capitalized and included as a yield adjustment to the underlying debt's stated rate.

Acquired intangible assets other than goodwill are amortized over their estimated useful lives unless the lives are determined to be indefinite. Amortization of these intangible assets in general are recognized on a straight-line basis over an average finite useful life primarily ranging from approximately one to 20 years or in relation to the estimated discounted cash flows over the life of the intangible asset. See Note 5 for further information on the Boost Mobile Acquisition and Ting Mobile Acquisition.

Fair Value Measurements

We determine fair value based on the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. Market or observable inputs are the preferred source of values, followed by unobservable inputs or assumptions based on hypothetical transactions in the absence of market inputs. We apply the following hierarchy in determining fair value:

- Level 1, defined as observable inputs being quoted prices in active markets for identical assets;
- Level 2, defined as observable inputs other than quoted prices included in Level 1, including quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar instruments in markets that are not active; and derivative financial instruments indexed to marketable investment securities; and
- Level 3, defined as unobservable inputs for which little or no market data exists, consistent with reasonably available assumptions made by other participants therefore requiring assumptions based on the best information available.

As of September 30, 2021 and December 31, 2020, the carrying amount for cash and cash equivalents, trade accounts receivable (net of allowance for credit losses) and current liabilities (excluding the "Current portion of long-term debt and finance lease obligations") was equal to or approximated fair value due to their short-term nature or proximity to current market rates. See Note 6 for the fair value of our marketable investment securities and derivative instruments.

Fair values for our publicly traded debt securities are based on quoted market prices, when available. The fair values of private debt are based on, among other things, available trade information, and/or an analysis in which we evaluate market conditions, related securities, various public and private offerings, and other publicly available information.

In performing this analysis, we make various assumptions regarding, among other things, credit spreads, and the impact of these factors on the value of the debt securities. See Note 10 for the fair value of our long-term debt.

Convertible Long-Term Debt

Historically, for embedded conversion features, we have valued and bifurcated the conversion option associated with convertible notes (the "equity component") from the host debt instrument. The initial value of the equity component on the convertible notes was recorded in "Additional paid-in capital" within "Stockholders' Equity (Deficit)" on our Condensed Consolidated Balance Sheets with the offset recorded as the debt discount. In accordance with ASU 2020-06 *Debt – Debt with Conversion and Other Options and Derivatives and Hedging – Contracts in Entity's Own Equity* ("ASU 2020-06"), which we adopted during the first quarter of 2021, the equity component related to our convertible notes of $1.051 billion has been reclassified from "Additional paid-in capital" within "Stockholders' Equity (Deficit)" to "Long-term debt and finance lease obligations, net of current portion" and the associated deferred taxes of $246 million has been reclassified from "Additional paid-in capital" within "Stockholders' Equity (Deficit)" to "Deferred tax liabilities" on our Condensed Consolidated Balance Sheets.

Assets Recognized Related to the Costs to Obtain a Contract with a Subscriber

We recognize an asset for the incremental costs of obtaining a contract with a subscriber if we expect the benefit of those costs to be longer than one year. We have determined that certain sales incentive programs in both our Pay-TV and Wireless segments, including those with our independent third-party retailers, meet the requirements to be capitalized, and payments made under these programs are capitalized and amortized to expense over the estimated subscriber life. During the three months ended September 30, 2021 and 2020, we capitalized $98 million and $131 million, respectively, under these programs. The amortization expense related to these programs was $109 million and $43 million for the three months ended September 30, 2021 and 2020, respectively. During the nine months ended September 30, 2021 and 2020, we capitalized $311 million and $213 million, respectively, under these programs. The amortization expense related to these programs was $276 million and $99 million for the nine months ended September 30, 2021 and 2020, respectively. As of September 30, 2021 and December 31, 2020, we had a total of $491 million and $456 million, respectively, capitalized on our Condensed Consolidated Balance Sheets. These amounts are capitalized in "Other current assets" and "Other noncurrent assets, net" on our Condensed Consolidated Balance Sheets, and then amortized in "Selling, general and administrative expenses" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

Advertising Costs

We recognize advertising expense when incurred as a component of selling, general and administrative expense. Advertising expenses totaled $156 million and $160 million for the three months ended September 30, 2021 and 2020, respectively. Advertising expenses totaled $386 million and $381 million for the nine months ended September 30, 2021 and 2020, respectively.

Research and Development

Research and development costs are expensed as incurred and are included in “Selling, general and administrative expenses” on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). Research and development costs totaled $7 million and $6 million for the three months ended September 30, 2021 and 2020, respectively. Research and development costs totaled $21 million and $17 million for the nine months ended September 30, 2021 and 2020, respectively.

3. Basic and Diluted Net Income (Loss) Per Share

We present both basic earnings per share (“EPS”) and diluted EPS. Basic EPS excludes potential dilution and is computed by dividing “Net income (loss) attributable to DISH Network” by the weighted-average number of common shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur if stock awards were exercised and if our Convertible Notes were converted. The potential dilution from stock awards is accounted for using the treasury stock method based on the average market value of our Class A common stock. The potential dilution from conversion of the Convertible Notes is accounted for using the if-converted method, which requires that all of the shares of our Class A common stock issuable upon conversion of the Convertible Notes will be included in the calculation of diluted EPS assuming conversion of the Convertible Notes at the beginning of the reporting period (or at time of issuance, if later).

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

The following table presents EPS amounts for all periods and the basic and diluted weighted-average shares outstanding used in the calculation.

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
	(In thousands, except per share amounts)			
Net income (loss)	$ 567,520	$ 532,959	$ 1,890,534	$ 1,112,638
Less: Net income (loss) attributable to noncontrolling interests, net of tax	10,478	28,360	32,221	82,597
Net income (loss) attributable to DISH Network - Basic	557,042	504,599	1,858,313	1,030,041
Interest on dilutive Convertible Notes, net of tax (1)	—	—	—	—
Net income (loss) attributable to DISH Network - Diluted	$ 557,042	$ 504,599	$ 1,858,313	$ 1,030,041
Weighted-average common shares outstanding - Class A and B common stock:				
Basic	528,229	525,532	527,503	524,329
Dilutive impact of Convertible Notes (2)	107,016	58,192	107,016	58,192
Dilutive impact of stock awards outstanding	1,195	233	699	74
Diluted	636,440	583,957	635,218	582,595
Earnings per share - Class A and B common stock:				
Basic net income (loss) per share attributable to DISH Network	$ 1.05	$ 0.96	$ 3.52	$ 1.96
Diluted net income (loss) per share attributable to DISH Network	$ 0.88	$ 0.86	$ 2.93	$ 1.77

(1) For both the three and nine months ended September 30, 2021 and 2020, materially all of our interest expense was capitalized. See Note 2 for further information.
(2) The increase resulted from the issuance of our 0% Convertible Notes due 2025 on December 21, 2020.

Certain stock awards to acquire our Class A common stock are not included in the weighted-average common shares outstanding above, as their effect is anti-dilutive. In addition, vesting of performance/market based options and rights to acquire shares of our Class A common stock granted pursuant to our performance based stock incentive plans ("Restricted Performance Units") are both contingent upon meeting certain goals, some of which are not yet probable of being achieved. Furthermore, the warrants that we issued to certain option counterparties in connection with the Convertible Notes due 2026 are only exercisable at their expiration if the market price per share of our Class A common stock is greater than the strike price of the warrants, which is approximately $86.08 per share, subject to adjustments. As a consequence, the following are not included in the diluted EPS calculation.

	As of September 30, 2021	As of September 30, 2020
	(In thousands)	
Anti-dilutive stock awards	6,898	8,761
Performance/market based options (1)	15,425	5,317
Restricted Performance Units/Awards	1,402	1,787
Common stock warrants	46,029	46,029
Total	69,754	61,894

(1) The increase primarily resulted from the grant of the Ergen 2020 Performance Award during the fourth quarter of 2020, as disclosed in our Annual Report on Form 10-K for the year ended December 31, 2020.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
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4. Supplemental Data - Statements of Cash Flows

The following table presents certain supplemental cash flow and other non-cash data. See Note 9 for supplemental cash flow and non-cash data related to leases.

	For the Nine Months Ended September 30,	
	2021	2020
	(In thousands)	
Cash paid for interest (including capitalized interest)	$ 679,047	$ 647,572
Cash received for interest	3,002	5,512
Cash paid for income taxes	79,528	22,939
Capitalized interest (1)	599,215	685,749
Employee benefits paid in Class A common stock	30,321	28,301
Convertible debt reclassified per ASU 2020-06 (1)	1,051,344	—
Deferred taxes reclassified per ASU 2020-06 (1)	245,778	—
Vendor financing	26,463	95,695
FCC licenses reclassification (2)	915,449	—
Wireless equipment	258,883	2,983

(1) See Note 2 for further information.
(2) See Note 11 for further information.

5. Acquisitions

When we acquire a business we recognize the assets acquired, liabilities assumed and any noncontrolling interests at fair value. We expense all transaction costs related to the acquisition as incurred.

Boost Mobile Acquisition

Asset Purchase Agreement

Effective on July 1, 2020, upon the terms and subject to the conditions set forth in the APA and in accordance with the Final Judgment, we completed the Boost Mobile Acquisition and DISH Network officially entered into the retail wireless market, serving more than 9 million subscribers under the Boost Mobile brand.

Consideration Transferred

The acquisition date fair value of consideration transferred in the Boost Mobile Acquisition totaled $1.346 billion, summarized in the following table:

	As of July 1, 2020
	(In thousands)
Cash consideration (1)	$ 1,400,000
Net working capital (2)	33,524
Other funding (3)	(87,500)
Total consideration transferred	$ 1,346,024

(1) Represents agreed upon purchase price pursuant to the APA paid to T-Mobile on July 1, 2020.
(2) Represents the assigned value of net working capital acquired under the APA. During the third quarter of 2021, we obtained a favorable determination pursuant to the arbitration procedures under our APA with T-Mobile with respect to the disputed net working capital items.

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
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The resulting changes in net working capital were recorded, with the offsetting $39 million gain recorded in "Other, net" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) due to the expiration of the one-year window to finalize the purchase allocation.

(3) Represents receipt of payment from Softbank in connection with the Boost Mobile Acquisition on July 1, 2020.

Fair Value of Assets Acquired and Liabilities Assumed

We accounted for the Boost Mobile Acquisition as a business combination. The identifiable assets acquired and liabilities assumed were recorded at their estimated fair values as of the acquisition date and are consolidated into our financial statements. The assignment of fair value requires significant judgments regarding the estimates and assumptions used to value the acquired assets and liabilities assumed. For the fair values of the assets acquired and liabilities assumed, we utilized the cost, income and market approaches from the perspective of a market participant. We used third-party valuation professionals to aid in the determination of the acquisition date fair values of certain assets acquired. The following table summarizes the fair values for each major class of assets acquired and liabilities assumed at the acquisition date. The purchase allocation set forth below is final.

		As of July 1, 2020
		(In thousands)
Trade accounts receivable	$	514,786
Inventory		141,718
Other current assets		3,000
Intangibles		591,000
Goodwill		91,220
Other noncurrent assets		713,000
Total assets		2,054,724
Trade accounts payable and other accrued expenses		533,967
Deferred revenue and other		174,733
Total liabilities		708,700
Total purchase price	$	1,346,024

Acquired Receivables. The fair value of assets acquired, which represents the gross contractual amount, includes accounts receivable of $539 million, with an associated allowance for credit losses of $24 million. Accounts receivable is comprised of receivables due from master agents, BoostUp! receivables and other receivables.

Inventory. Inventory assets include $142 million of wireless devices.

Intangible Assets and Goodwill. Intangible assets includes $458 million of subscriber relationships, the Boost Mobile tradename of $96 million and certain below market contracts for $37 million. The intangible assets will be amortized over their respective useful lives which range from one to ten years. Goodwill has an assigned value of $91 million, which represents the excess of the consideration transferred over the estimated fair values of assets acquired and liabilities assumed. The goodwill recognized includes, among other things, the assembled workforce of Boost Mobile and intangible assets that do not qualify for separate recognition. The goodwill resulting from the Boost Mobile Acquisition included in the wireless segment is expected to be deductible for tax purposes. All of the goodwill acquired is allocated to the Retail Wireless reporting unit.

Other Noncurrent Assets. Other noncurrent assets includes our option to purchase certain T-Mobile's 800 MHz spectrum licenses with an assigned fair value of $713 million. This instrument meets the definition of a derivative and all subsequent changes in the derivative's fair value are recorded in "Other, net" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) until the option is either exercised or expires.

Liabilities. Liabilities include accounts payable, deferred revenue and accrued expenses.

Indemnification Assets and Contingent Liabilities. Pursuant to the APA, T-Mobile agreed to indemnify us against certain specified matters and losses. We have not recorded either an indemnification asset or liability as the potential liabilities and associated reimbursement by T-Mobile cannot be reasonably estimated. We expect that any liability incurred related to these indemnified matters would be indemnified and reimbursed by T-Mobile. See Note 11 for further information.

Sales of equipment to indirect dealers often include credits subsequently paid to the dealer as a reimbursement for promotions offered to the end consumer. These credits are accounted for as variable consideration when estimating the amount of revenue to recognize from the sales of equipment to indirect dealers. At acquisition, we recorded a contingent obligation related to these credits, based upon historical experience and other factors, such as expected promotional activity. This amount is recorded in "Other accrued expenses" on our Condensed Consolidated Balance Sheets.

Agreements in Connection with the APA

In connection with the Boost Mobile Acquisition and the consummation of the Sprint/T-Mobile merger, we, T-Mobile, Sprint, DT and SoftBank came to an agreement with the DOJ on key terms and approval of the Transaction Agreements and our wireless service business and spectrum. On July 26, 2019, the Defendants entered into the Stipulation and Order with the DOJ binding the Defendants to the Proposed Final Judgment, which memorialized the agreement between the DOJ and the Defendants. The Stipulation and Order and the Proposed Final Judgment were filed in the District Court on July 26, 2019 and on April 1, 2020, the Final Judgment was entered with the District Court.

The term of the Final Judgment is seven years from the date of its entry with the District Court or five years if the DOJ gives notice that the divestitures, build-outs and other requirements have been completed to its satisfaction. A Monitoring Trustee has been appointed by the District Court. The Monitoring Trustee has the power and authority to monitor the Defendants' compliance with the Final Judgment and settle disputes among the Defendants regarding compliance with the provisions of the Final Judgment and may recommend action to the DOJ in the event a party fails to comply with the Final Judgment.

Also in connection with the closing of the Boost Mobile Acquisition, we and T-Mobile entered into the TSA, the MNSA, the Option Agreement, and the Spectrum Purchase Agreement for an additional approximately $3.59 billion.

Transition Services Agreement

T-Mobile and DISH Network entered into the TSA upon the Closing Date of the Boost Mobile Acquisition, pursuant to which T-Mobile provides certain transition services to us for the Prepaid Business for a period of two years from July 1, 2020. Additionally, under the Final Judgment, we may apply to the DOJ for one or more extensions of the term of the TSA, which the DOJ can approve or deny in its sole discretion, and the TSA contemplates the option to renew the TSA for a third or additional years. The transition services are provided at cost, which shall not exceed a specific amount in the first year, plus certain pass-through costs and out-of-pocket expenses, during the first two years. If any transition services are renewed for a third year, the transition services will be provided at cost plus a certain mark-up, plus certain additional costs.

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Master Network Services Agreement

T-Mobile and DISH Network entered into an MNSA upon the Closing Date of the Boost Mobile Acquisition, pursuant to which we also receive network services from T-Mobile for a period of seven years. As set forth in the MNSA, T-Mobile provides to us, among other things, (i) legacy network services for Boost Mobile and certain other prepaid end users on the Sprint network, (ii) T-Mobile network services for certain end users that have been migrated to the T-Mobile network or provisioned on the T-Mobile network by or on behalf of us and (iii) infrastructure mobile network operator services to assist in the access and integration of our network.

Pursuant to the terms of the MNSA, we face certain restrictions on making offerings that may combine the access to services provided under the MNSA with access to the facilities or services provided by certain third parties, subject to certain exceptions and carve-outs. We have the right to offer differentiated pricing, products and features to our end users under our brands in conjunction with the services provided under the MNSA, subject to certain qualifications and restrictions. We have certain restrictions on our ability to wholesale, sub-distribute or resell the services provided under the MNSA to third parties. During and after the term of the MNSA, T-Mobile has agreed to certain restrictions with respect to the use of certain information in the targeting of subscribers.

In the event of a "change of control" of DISH Network, the MNSA will terminate upon the earlier of two years following the consummation of the change of control or the date on which the MNSA would have otherwise terminated or expired in accordance with its terms. However, we would remain able to provision new users for six months after the change of control and also retain access to roaming services on the T-Mobile network for both new and existing users for the remainder of the original term of the MNSA. Generally, a change of control would occur in the first 36 months of the term of the MNSA if (A) certain "permitted owners" no longer own 50% or more of our voting power or a person or group of persons who are not permitted owners beneficially owns more than 50% of our aggregate economic value or (B) we sell more than 50% of our wireless communications business assets (excluding our wireless terrestrial spectrum licenses and entities that own our wireless terrestrial spectrum licenses). A permitted owner generally includes Charles W. Ergen (including his family and certain related trusts and entities) and certain financial investors. Following the first 36 months of the term of the MNSA (or earlier in certain circumstances), a change of control would generally occur if any restricted persons own (1) more than 50% of our voting power or economic value or (2) a majority of our wireless communications business assets (excluding our wireless terrestrial spectrum licenses and entities that own our wireless terrestrial spectrum licenses). A "restricted person" generally includes certain U.S. wireless providers and U.S. cable companies (with certain exceptions), as well as any other entities that do not enter into a network usage agreement with T-Mobile restricting such person from generally engaging in certain activities that are detrimental to the T-Mobile network.

Spectrum Purchase Agreement

Pursuant to the Spectrum Purchase Agreement that was entered into upon the Closing Date of the Boost Mobile Acquisition, we are expected to purchase all of Sprint's 800 MHz spectrum (approximately 13.5 MHz of nationwide spectrum). The covered spectrum must be divested within the later of three years from the Closing Date and five days after receipt of FCC approval for the transfer, following an application for FCC approval to be filed three years following the closing of the Sprint/T-Mobile merger. The DOJ may in its sole discretion agree to extend the deadline for the spectrum divestiture for up to 60 days pursuant to the Final Judgment. T-Mobile may exercise an option to lease back 4 MHz (2 MHz downlink + 2 MHz uplink) of the spectrum for two years following the closing of the 800 MHz spectrum sale at the same per-Pop rate used to calculate the purchase price paid by us to T-Mobile – a rate of approximately $68 million per year.

We and T-Mobile have made customary representations, warranties and covenants pursuant to the Spectrum Purchase Agreement, including representations by T-Mobile regarding the validity of the licenses for the purchased spectrum. Pursuant to the Spectrum Purchase Agreement, we and T-Mobile each indemnify the other against losses suffered as a result of breaches of the other's representations and warranties or covenants. The indemnification provisions are subject to certain deductible and cap limitations and time limitations with respect to recovery for losses.

If we breach the Spectrum Purchase Agreement prior to the closing or fail to deliver the purchase price following the satisfaction or waiver of all closing conditions, our sole liability to T-Mobile will be to pay T-Mobile a fee of approximately $72 million. If T-Mobile fails to sell the spectrum to us following the satisfaction or waiver of all closing conditions, our sole recourse will be to seek specific performance, and if (and only if) specific performance is unavailable, to seek damages of up to approximately $72 million.

Option Agreement

The Option Agreement, which was entered into upon the Closing Date of the Boost Mobile Acquisition, provides us an exclusive option to assume certain assets and liabilities under certain circumstances for any of the cell sites and retail stores that T-Mobile decommissions during the term of the Option Agreement. T-Mobile must make a minimum of 20,000 cell sites and 400 retail stores available to us pursuant to the Final Judgment. With respect to each decommissioned site, we may choose to acquire: (a) only the lease for such site, (b) the lease and a predetermined list of equipment at the site or (c) the lease and all of the equipment at the site. Under the Final Judgment, T-Mobile must provide a detailed schedule which identifies each cell site that is scheduled to be decommissioned within five years of the Closing Date. The Option Agreement will remain in place for five years following the Closing Date.

Agreement with the DOJ: The Stipulation and Order and the Final Judgment

Certain of the provisions of the Stipulation and Order and the Final Judgment are also reflected in the terms of the Transaction Agreements. In addition to the terms reflected in the Transaction Agreements, the Stipulation and Order and the Final Judgment provide for other rights and obligations of the Sellers and us, including the following:

- If we elect not to purchase the 800 MHz licenses pursuant to the Spectrum Purchase Agreement, we must pay $360 million (equal to 10% of the Spectrum Purchase Agreement purchase price) to the United States. However, we will not be required to make such payment if we have deployed a core network and offered 5G service to at least 20% of the U.S. population within three years of the Closing Date.
- If we buy the 800 MHz spectrum pursuant to the Spectrum Purchase Agreement but fail to deploy all of the 800 MHz spectrum licenses for use in the provision of retail mobile wireless services by the expiration of the Final Judgment, the DOJ may require us to forfeit to the FCC any of the 800 MHz licenses for spectrum that are not being used to provide retail mobile wireless services, unless we are already providing nationwide retail wireless service.
- We and T-Mobile were required to negotiate in good faith to reach an agreement for T-Mobile to lease some or all of our 600 MHz spectrum licenses for deployment to retail consumers by T-Mobile. On September 11, 2020, we and T-Mobile entered into an agreement to lease a portion of our 600 MHz spectrum licenses for an annual lease payment of approximately $56 million.
- We and T-Mobile must agree to support eSIM technology on smartphones.
- The Sellers must introduce the suppliers and distributors of the Prepaid Business to us and the Sellers may not interfere in our negotiations with such suppliers and distributors.

- On the first day of the fiscal quarter following the entry of the Final Judgment and of each 180-day period thereafter, we are obligated to provide the DOJ with a description of our deployment efforts over the prior quarter including: (i) the number of communication towers and small cells deployed, (ii) the spectrum bands on which we have deployed equipment, (iii) progress in obtaining devices that operate on our spectrum frequencies, (iv) POPs coverage of our network, (v) the number of our mobile wireless subscriptions, (vi) the amount of traffic transmitted to our subscribers using our network and using T-Mobile's network, and (vii) whether there are or have been any efforts by T-Mobile to interfere with our efforts to deploy and operate our network.
- We cannot sell, lease or otherwise provide the right to use any of the divested assets to any national facilities-based mobile wireless provider and may not sell any of the divested assets or similar assets back to T-Mobile during the term of the Final Judgment, except that we may lease back to T-Mobile up to 4 MHz of the 800 MHz spectrum we will acquire (as discussed above).
- We must comply with the June 14, 2023 AWS-4, Lower 700 MHz E Block, AWS H Block, and nationwide 5G broadband network build-out commitments made to the FCC, subject to verification by the FCC (as described below). If we fail to comply with such build-out commitments, we may be subject to civil contempt in addition to the substantial voluntary contributions and license forfeitures described below if we fail to meet these commitments (as described below).

FCC Build-Out Commitments

In a letter filed with the FCC on July 26, 2019, we voluntarily committed to deploy a nationwide 5G broadband network and meet revised timelines relating to the build-out of our AWS-4, Lower 700 MHz E Block, AWS H Block and 600 MHz spectrum assets, subject to certain penalties. Pursuant to these commitments, we requested multi-year extensions to deploy our AWS-4, Lower 700 MHz E Block, and AWS H Block spectrum, and we have committed to build-out our 600 MHz licenses on an accelerated schedule to better align with our 5G deployment. We have also committed to offer 5G broadband service to certain population coverage targets, along with minimum core network, communication tower and spectrum use targets, and have waived our right to deploy any technology of our choice under the FCC's "flexible use" rules with respect to these spectrum bands. Failure to meet the various commitments would require us to pay voluntary contributions totaling up to $2.2 billion to the FCC and would subject certain licenses in the AWS-4, Lower 700 MHz E Block, and AWS H Block spectrum to forfeiture.

We have also agreed not to sell our AWS-4 and 600 MHz spectrum for six years without prior DOJ and FCC approval (unless such sale is part of a change of control of DISH Network). Additionally, we have agreed not to lease a certain percentage of network capacity on our AWS-4 and 600 MHz spectrum for six years to the three largest U.S. wireless carriers (i.e., AT&T, Verizon and T-Mobile), without prior FCC approval. On November 5, 2019, the FCC released an Order that, among other things, approved the Sprint/T-Mobile merger, tolled our existing March 7, 2020 build-out deadline for our AWS-4 and Lower 700 MHz E Block Licenses, and directed the FCC's Wireless Telecommunications Bureau to adopt our commitments after a 30 day review period (the "FCC Merger Order").

On September 11, 2020, the FCC's Wireless Telecommunications Bureau issued an Order adopting these commitments. Our 5G deployment obligations for each of the four spectrum bands are generally set forth below.

- With respect to the 600 MHz licenses, we must offer 5G broadband service to at least 75% of the population in each Partial Economic Area (which are service areas established by the FCC) no later than June 14, 2025. Note that these commitments are earlier than the previous 600 MHz Final Build-Out Requirement date of June 2029. See Note 11 for further information.
- With respect to the AWS-4 licenses, we must offer 5G broadband service to at least 20% of the U.S. population and have deployed a core network no later than June 14, 2022, and offer 5G broadband service to at least 70% of the U.S. population no later than June 14, 2023.
- With respect to the Lower 700 MHz E Block licenses, we must offer 5G broadband service to at least 20% of the U.S. population who are covered by such licenses and have deployed a core network no later than June 14, 2022, and offer 5G broadband service to at least 70% of the U.S. population who are covered by such licenses no later than June 14, 2023.
- With respect to the AWS H Block licenses, we must offer 5G broadband service to at least 20% of the U.S. population and have deployed a core network no later than June 14, 2022, and offer 5G broadband service to at least 70% of the U.S. population no later than June 14, 2023.

Ting Mobile Acquisition

On August 1, 2020, we completed the Ting Mobile Acquisition. In addition, we entered into a services agreement pursuant to which Tucows will act as a mobile virtual network enabler for certain of our retail wireless subscribers. The consideration for the Ting Mobile Acquisition is an earn-out provision and the fair value of the earn-out provision has been assigned to a customer relationship intangible that is recorded in "Intangible assets, net." The estimated fair value of the earn-out liability is recorded in "Other accrued expenses" and "Long-term deferred revenue and other long-term liabilities" on our Condensed Consolidated Balance Sheets.

Republic Wireless Acquisition

On May 1, 2021, we completed the Republic Wireless Acquisition. The consideration for the Republic Wireless Acquisition consisted of an upfront cash payment and an earn-out provision. The fair value of the consideration has been assigned to customer relationship and tradename intangibles, and goodwill that are recorded in "Intangible assets, net" on our Condensed Consolidated Balance Sheets. The estimated fair value of the earn-out liability is recorded in "Other accrued expenses" and "Long-term deferred revenue and other long-term liabilities" on our Condensed Consolidated Balance Sheets.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

6. Marketable Investment Securities, Restricted Cash and Cash Equivalents, and Other Investment Securities

Our marketable investment securities, restricted cash and cash equivalents, and other investment securities consisted of the following:

	As of	
	September 30, 2021	**December 31, 2020**
	(In thousands)	
Marketable investment securities:		
Current marketable investment securities:		
Strategic - available-for-sale	$ 194	$ 195
Strategic - trading/equity	3,340	—
Other	2,964,011	362,758
Total current marketable investment securities	2,967,545	362,953
Restricted marketable investment securities (1)	40,794	24,467
Total marketable investment securities	3,008,339	387,420
Restricted cash and cash equivalents (1)	64,244	83,902
Other investment securities:		
Other investment securities	155,034	149,706
Total other investment securities	155,034	149,706
Total marketable investment securities, restricted cash and cash equivalents, and other investment securities	$ 3,227,617	$ 621,028

(1) Restricted marketable investment securities and restricted cash and cash equivalents are included in “Restricted cash, cash equivalents and marketable investment securities” on our Condensed Consolidated Balance Sheets.

Marketable Investment Securities

Our marketable investment securities portfolio may consist of debt and equity instruments. All equity securities are carried at fair value, with changes in fair value recognized in “Other, net” within “Other Income (Expense)” on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). All debt securities are classified as available-for-sale and are recorded at fair value. We report the temporary unrealized gains and losses related to changes in market conditions of marketable debt securities as a separate component of “Accumulated other comprehensive income (loss)” within “Total stockholders’ equity (deficit),” net of related deferred income tax on our Condensed Consolidated Balance Sheets. The corresponding changes in the fair value of marketable debt securities, which are determined to be company specific credit losses are recorded in “Other, net” within “Other Income (Expense)” on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
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Current Marketable Investment Securities – Strategic

Our current strategic marketable investment securities portfolio includes and may include strategic and financial debt and/or equity investments in private and public companies that are highly speculative and have experienced and continue to experience volatility. As of September 30, 2021, this portfolio consisted of securities of a small number of issuers, and as a result the value of that portfolio depends, among other things, on the performance of those issuers. The fair value of certain of the debt and equity securities in this portfolio can be adversely impacted by, among other things, the issuers' respective performance and ability to obtain any necessary additional financing on acceptable terms, or at all.

Current Marketable Investment Securities - Other

Our current other marketable investment securities portfolio includes investments in various debt instruments including, among others, commercial paper, corporate securities and United States treasury and/or agency securities.

Commercial paper consists mainly of unsecured short-term, promissory notes issued primarily by corporations with maturities ranging up to 365 days. Corporate securities consist of debt instruments issued by corporations with various maturities normally less than 18 months. U.S. Treasury and agency securities consist of debt instruments issued by the federal government and other government agencies.

Restricted Cash, Cash Equivalents and Marketable Investment Securities

As of September 30, 2021 and December 31, 2020, our restricted marketable investment securities, together with our restricted cash and cash equivalents, included amounts required as collateral for our letters of credit and trusts.

Other Investment Securities

We have strategic investments in certain debt and/or equity securities that are included in noncurrent "Other investment securities" on our Condensed Consolidated Balance Sheets. Our debt securities are classified as available-for-sale and our equity securities are accounted for using the equity method of accounting or recorded at fair value. Certain of our equity method investments are detailed below.

NagraStar L.L.C. We own a 50% interest in NagraStar L.L.C. ("NagraStar"), a joint venture that is our primary provider of encryption and related security systems intended to assure that only authorized customers have access to our programming.

Invidi Technologies Corporation. In November 2016, we, AT&T Inc., and Cavendish Square Holding B.V., an affiliate of WPP plc, entered into a series of agreements to acquire Invidi Technologies Corporation ("Invidi"), an entity that provides proprietary software for the addressable advertising market. The transaction closed in January 2017.

TerreStar Solutions, Inc. In March 2019, we closed a transaction with TerreStar Solutions, Inc. ("TSI") to acquire additional equity securities of TSI, an entity that holds certain 2 GHz wireless spectrum licenses in Canada, in exchange for certain Canadian assets, including, among other things, a portion of the satellite capacity on our T1 satellite, which we had acquired from TerreStar Networks, Inc. in 2012.

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Our ability to realize value from our strategic investments in securities that are not publicly traded depends on the success of the issuers' businesses and their ability to obtain sufficient capital, on acceptable terms or at all, and to execute their business plans. Because 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 we will not be able to obtain fair value for them.

Fair Value Measurements

Our investments measured at fair value on a recurring basis were as follows:

	As of							
	September 30, 2021				December 31, 2020			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
	(In thousands)							
Cash equivalents (including restricted)	$ 2,304,378	$ 73,878	$ 2,230,500	$ —	$ 3,330,296	$ 363,123	$ 2,967,173	$ —
Debt securities (including restricted):								
U.S. Treasury and agency securities	$ —	$ —	$ —	$ —	$ 65,992	$ 65,992	$ —	$ —
Commercial paper	2,612,422	—	2,612,422	—	298,435	—	298,435	—
Corporate securities	389,891	—	389,891	—	22,552	—	22,552	—
Other	2,686	—	2,492	194	441	—	246	195
Equity securities	3,340	3,340	—	—	—	—	—	—
Total	$ 3,008,339	$ 3,340	$ 3,004,805	$ 194	$ 387,420	$ 65,992	$ 321,233	$ 195

As of September 30, 2021, restricted and non-restricted marketable investment securities included debt securities of $2.936 billion with contractual maturities within one year and $69 million with contractual maturities extending longer than one year through and including five years. Actual maturities may differ from contractual maturities as a result of our ability to sell these securities prior to maturity.

Derivative Instruments

We have the option to purchase certain of T-Mobile's 800 MHz spectrum licenses from T-Mobile at a fixed price in the future as part of the Boost Mobile Acquisition. See Note 5 for further information. This instrument meets the definition of a derivative and was valued based upon, among other things, our estimate of the underlying asset price, the expected term, volatility and the risk free rate of return. The instrument acquisition date fair value was $713 million. The derivative is remeasured quarterly. As of September 30, 2021 and December 31, 2020, the derivative's fair value was $670 million and $691 million, respectively, and are included in "Other noncurrent assets, net" on our Condensed Consolidated Balance Sheets. All changes in the derivative's fair value are recorded in "Other, net" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) until the option is either exercised or expires. See the table below. We account for our option to purchase certain T-Mobile's 800 MHz spectrum licenses under the Spectrum Purchase Agreement as a Level 3 derivative.

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
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Gains and Losses on Sales and Changes in Carrying Amounts of Investments and Other

"Other, net" within "Other Income (Expense)" included on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) is as follows:

Other, net:	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
	(In thousands)			
Marketable investment securities - realized and unrealized gains (losses)	$ (1,634)	$ 87	$ (1,316)	$ 177
Derivative instruments - net realized and/or unrealized gains (losses)	(7,380)	(12,450)	(18,380)	(12,450)
Costs related to early redemption of debt	—	—	(3,587)	—
Equity in earnings (losses) of affiliates	424	(824)	1,957	(221)
Other (Note 5)	39,659	(13)	39,924	902
Total	$ 31,069	$ (13,200)	$ 18,598	$ (11,592)

7. Inventory

Inventory consisted of the following:

	As of September 30, 2021	As of December 31, 2020
	(In thousands)	
Finished goods	$ 429,925	$ 337,787
Work-in-process and service repairs	17,044	25,621
Raw materials	23,857	16,941
Total inventory	$ 470,826	$ 380,349

8. Property and Equipment

Property and equipment consisted of the following:

	Depreciable Life (In Years)	As of September 30, 2021	As of December 31, 2020
		(In thousands)	
Equipment leased to customers	2 - 5	$ 1,590,620	$ 1,736,660
Satellites	4 - 15	1,734,024	1,734,024
Satellites acquired under finance lease agreements	10 - 15	888,940	888,940
Furniture, fixtures, equipment and other	2 - 20	2,179,298	2,091,271
Buildings and improvements	5 - 40	373,749	370,941
Land	-	17,513	17,810
Construction in progress	-	858,782	126,303
Total property and equipment		7,642,926	6,965,949
Accumulated depreciation		(4,909,124)	(4,783,616)
Property and equipment, net		$ 2,733,802	$ 2,182,333

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

Construction in progress consisted of the following:

	As of	
	September 30, 2021	December 31, 2020
	(In thousands)	
Pay-TV	$ 37,449	$ 53,486
Wireless	821,333	72,817
Total construction in progress	$ 858,782	$ 126,303

Depreciation and amortization expense consisted of the following:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2021	2020	2021	2020
	(In thousands)			
Equipment leased to customers	$ 60,616	$ 71,568	$ 188,405	$ 220,797
Satellites	47,833	50,193	146,645	152,530
Buildings, furniture, fixtures, equipment and other	32,176	32,303	92,418	97,679
Intangible assets (1)	36,666	45,019	126,598	47,021
Total depreciation and amortization	$ 177,291	$ 199,083	$ 554,066	$ 518,027

(1) The increase resulted from the Boost Mobile Acquisition, the Ting Mobile Acquisition and the Republic Wireless Acquisition. See Note 5 for further information.

Cost of sales and operating expense categories included in our accompanying Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) do not include depreciation expense related to satellites or equipment leased to customers.

Satellites

Pay-TV Satellites. We currently utilize 13 satellites in geostationary orbit approximately 22,300 miles above the equator, eight of which we own and depreciate over their estimated useful life. We currently utilize certain capacity on one satellite that we lease from EchoStar, which is accounted for as an operating lease. We also lease four satellites from third parties: Ciel II, which is accounted for as an operating lease, and Anik F3, Nimiq 5 and QuetzSat-1, which are accounted for as financing leases and are each depreciated over their economic life.

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

As of September 30, 2021, our pay-TV satellite fleet consisted of the following:

Satellites	Launch Date	Degree Orbital Location	Lease Termination Date
Owned:			
EchoStar VII	February 2002	119	N/A
EchoStar X	February 2006	110	N/A
EchoStar XI	July 2008	110	N/A
EchoStar XIV	March 2010	119	N/A
EchoStar XV	July 2010	61.5	N/A
EchoStar XVI	November 2012	61.5	N/A
EchoStar XVIII	June 2016	61.5	N/A
EchoStar XXIII	March 2017	67.9	N/A
Leased from EchoStar (1):			
EchoStar IX	August 2003	121	Month to month
Leased from Other Third Party:			
Anik F3	April 2007	118.7	April 2022
Ciel II	December 2008	129	January 2022
Nimiq 5	September 2009	72.7	September 2024
QuetzSat-1	September 2011	77	November 2021

(1) See Note 14 for further information on our Related Party Transactions with EchoStar.

9. Leases

We enter into operating and finance leases for, among other things, communication towers, satellites, office space, fiber and transport equipment, warehouses and distribution centers, vehicles and other equipment. Our leases have remaining lease terms from one to 16 years, some of which include renewal options, and some of which include options to terminate the leases within one year.

Our Anik F3, Nimiq 5 and QuetzSat-1 satellites are accounted for as financing leases. Substantially all of our remaining leases are accounted for as operating leases.

The components of lease expense were as follows:

	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020
	(In thousands)			
Operating lease cost	$ 14,004	$ 18,281	$ 47,585	$ 54,130
Short-term lease cost (1)	2,488	2,726	9,686	8,284
Finance lease cost:				
Amortization of right-of-use assets	17,829	17,829	53,488	53,488
Interest on lease liabilities	3,467	5,070	11,635	16,326
Total finance lease cost	21,296	22,899	65,123	69,814
Total lease costs	$ 37,788	$ 43,906	$ 122,394	$ 132,228

(1) Leases that have terms of 12 months or less.

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
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Supplemental cash flow information related to leases was as follows:

	For the Nine Months Ended September 30,	
	2021	2020
	(In thousands)	
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 52,220	$ 54,611
Operating cash flows from finance leases	$ 9,932	$ 16,326
Financing cash flows from finance leases	$ 49,873	$ 47,301
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases (1)	$ 799,261	$ 41,665
Finance leases	$ —	$ —

(1) The increase in operating lease assets primarily related to communication tower leases.

Supplemental balance sheet information related to leases was as follows:

	As of	
	September 30, 2021	December 31, 2020
	(In thousands)	
Operating Leases:		
Operating lease assets (1)	$ 853,140	$ 104,271
Other current liabilities	$ 53,257	$ 56,856
Operating lease liabilities (1)	818,931	63,526
Total operating lease liabilities	$ 872,188	$ 120,382
Finance Leases:		
Property and equipment, gross	$ 889,708	$ 889,708
Accumulated depreciation	(807,780)	(754,292)
Property and equipment, net	$ 81,928	$ 135,416
Other current liabilities	$ 39,221	$ 58,379
Other long-term liabilities	73,080	103,795
Total finance lease liabilities	$ 112,301	$ 162,174
Weighted Average Remaining Lease Term:		
Operating leases (1)	12.6 years	2.8 years
Finance leases	2.7 years	3.1 years
Weighted Average Discount Rate:		
Operating leases	4.5%	4.2%
Finance leases	10.8%	10.4%

(1) The increase in operating lease assets and liabilities primarily related to communication tower leases.

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

Maturities of lease liabilities as of September 30, 2021 were as follows:

	Maturities of Lease Liabilities		
For the Years Ending December 31,	Operating Leases	Finance Leases	Total
		(In thousands)	
2021 (remaining three months)	$ 19,403	$ 10,498	$ 29,901
2022	70,974	48,307	119,281
2023	70,234	40,942	111,176
2024	72,764	30,707	103,471
2025	74,821	—	74,821
Thereafter	905,368	—	905,368
Total lease payments	1,213,564	130,454	1,344,018
Less: Imputed interest	(341,376)	(18,153)	(359,529)
Total	872,188	112,301	984,489
Less: Current portion	(53,257)	(39,221)	(92,478)
Long-term portion of lease obligations	$ 818,931	$ 73,080	$ 892,011

10. Long-Term Debt and Finance Lease Obligations

Fair Value of our Long-Term Debt

The following table summarizes the carrying amount and fair value of our debt facilities as of September 30, 2021 and December 31, 2020:

	As of			
	September 30, 2021		December 31, 2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
		(In thousands)		
6 3/4% Senior Notes due 2021 (1)	$ —	$ —	$ 2,000,000	$ 2,047,260
5 7/8% Senior Notes due 2022 (2)	2,000,000	2,063,900	2,000,000	2,095,820
5% Senior Notes due 2023	1,500,000	1,558,860	1,500,000	1,566,300
5 7/8% Senior Notes due 2024	2,000,000	2,157,200	2,000,000	2,099,580
2 3/8% Convertible Notes due 2024	1,000,000	979,520	1,000,000	949,350
0% Convertible Notes due 2025	2,000,000	2,393,560	2,000,000	2,010,000
7 3/4% Senior Notes due 2026	2,000,000	2,264,720	2,000,000	2,236,520
3 3/8% Convertible Notes due 2026	3,000,000	3,131,940	3,000,000	2,886,330
7 3/8% Senior Notes due 2028	1,000,000	1,067,980	1,000,000	1,070,130
5 1/8 % Senior Notes due 2029	1,500,000	1,472,880	—	—
Other notes payable	139,902	139,902	137,809	137,809
Subtotal	16,139,902	$ 17,230,462	16,637,809	$ 17,099,099
Unamortized debt discount on the Convertible Notes (3)	—		(1,061,203)	
Unamortized deferred financing costs and other debt discounts, net	(48,014)		(36,752)	
Finance lease obligations (4)	112,301		162,174	
Total long-term debt and finance lease obligations (including current portion)	$ 16,204,189		$ 15,702,028	

(1) As of June 1, 2021, we had repurchased or redeemed the principal balance of our 6 3/4% Senior Notes due 2021.
(2) Our 5 7/8% Senior Notes due 2022 mature on July 15, 2022 and have been reclassified to “Current portion of long-term debt and finance lease obligations” on our Condensed Consolidated Balance Sheets as of September 30, 2021.
(3) See Note 2 for further information.
(4) Disclosure regarding fair value of finance leases is not required.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
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We estimated the fair value of our publicly traded long-term debt using market prices in less active markets (Level 2).

5 1/8% Senior Notes due 2029

On May 24, 2021, we issued $1.5 billion aggregate principal amount of our 5 1/8% Senior Notes due June 1, 2029. Interest accrues at an annual rate of 5 1/8% and is payable semi-annually in cash, in arrears on June 1 and December 1 of each year, commencing on December 1, 2021.

The 5 1/8% Senior Notes are redeemable, in whole or in part, at any time at a redemption price equal to 100% of the principal amount plus a "make-whole" premium, as defined in the related indenture, together with accrued and unpaid interest. Prior to June 1, 2024, we may also redeem up to 35% of the 5 1/8% Senior Notes at a specified premium with the net cash proceeds from certain equity offerings or capital contributions.

Our 5 1/8% Senior Notes are:

- general unsecured senior obligations of DISH DBS Corporation ("DISH DBS");
- ranked equally in right of payment with all of DISH DBS' and the guarantors' existing and future unsecured senior debt; and
- ranked effectively junior to our and the guarantors' current and future secured senior indebtedness up to the value of the collateral securing such indebtedness.

The indenture related to our 5 1/8% Senior Notes contains restrictive covenants that, among other things, impose limitations on the ability of DISH DBS and its restricted subsidiaries to:

- incur additional debt;
- pay dividends or make distributions on DISH DBS' capital stock or repurchase DISH DBS' capital stock;
- make certain investments;
- create liens or enter into sale and leaseback transactions;
- enter into transactions with affiliates;
- merge or consolidate with another company; and
- transfer or sell assets.

In the event of a change of control, as defined in the related indenture, we would be required to make an offer to repurchase all or any part of a holder's 5 1/8% Senior Notes at a purchase price equal to 101% of the aggregate principal amount thereof, together with accrued and unpaid interest thereon, to the date of repurchase.

2 3/8% Convertible Notes due 2024

On March 17, 2017, we issued $1.0 billion aggregate principal amount of the Convertible Notes due March 15, 2024 in a private placement. Interest accrues at an annual rate of 2 3/8% and is payable semi-annually in cash, in arrears on March 15 and September 15 of each year.

The Convertible Notes due 2024 are:

- our general unsecured obligations;
- ranked senior in right of payment to any future indebtedness that is expressly subordinated in right of payment to the Convertible Notes due 2024;
- ranked equally in right of payment with all of our existing and future unsecured senior indebtedness;
- ranked effectively junior to any of our existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness;
- ranked structurally junior to all indebtedness and other liabilities of our subsidiaries; and
- not guaranteed by our subsidiaries.

We may not redeem the Convertible Notes due 2024 prior to the maturity date. If a "fundamental change" (as defined in the related indenture) occurs prior to the maturity date of the Convertible Notes due 2024, holders may require us to repurchase for cash all or part of their Convertible Notes due 2024 at a repurchase price equal to 100% of the principal amount of such Convertible Notes due 2024, plus accrued and unpaid interest to, but not including, the fundamental change repurchase date.

The indenture related to the Convertible Notes due 2024 does not contain any financial covenants and does not restrict us from paying dividends, issuing or repurchasing our other securities, issuing new debt (including secured debt) or repaying or repurchasing our debt.

Subject to the terms of the related indenture, the Convertible Notes due 2024 may be converted at an initial conversion rate of 12.1630 shares of our Class A common stock per $1,000 principal amount of Convertible Notes due 2024 (equivalent to an initial conversion price of approximately $82.22 per share of our Class A common stock) (the "Initial Conversion Rate"), at any time on or after October 15, 2023 through the second scheduled trading day preceding the maturity date. Holders of the Convertible Notes due 2024 will also have the right to convert the Convertible Notes due 2024 at the Initial Conversion Rate prior to October 15, 2023, but only upon the occurrence of specified events described in the related indenture. The conversion rate is subject to anti-dilution adjustments if certain events occur. Upon any conversion, we will settle our conversion obligation in cash, shares of our Class A common stock or a combination of cash and shares of our Class A common stock, at our election.

0% Convertible Notes due 2025

On December 21, 2020, we issued $2.0 billion aggregate principal amount of the Convertible Notes due December 15, 2025 in a private placement. These notes will not bear interest, and the principal amount of the Notes will not accrete.

The Convertible Notes due 2025 are:

- our general unsecured obligations;
- ranked senior in right of payment to any future indebtedness that is expressly subordinated in right of payment to the Convertible Notes due 2025;
- ranked equally in right of payment with all of our existing and future unsecured senior indebtedness;
- ranked effectively junior to any of our existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness;
- ranked structurally junior to all indebtedness and other liabilities of our subsidiaries; and
- not guaranteed by our subsidiaries.

We may not redeem the Convertible Notes due 2025 prior to the maturity date. If a "fundamental change" (as defined in the related indenture) occurs prior to the maturity date of the Convertible Notes due 2025, holders may require us to repurchase for cash all or part of their Convertible Notes due 2025 at a repurchase price equal to 100% of the principal amount of such Convertible Notes due 2025, plus accrued and unpaid interest to, but not including, the fundamental change repurchase date.

The indenture related to the Convertible Notes due 2025 does not contain any financial covenants and does not restrict us from paying dividends, issuing or repurchasing our other securities, issuing new debt (including secured debt) or repaying or repurchasing our debt.

Subject to the terms of the related indenture, the Convertible Notes due 2025 may be converted at an initial conversion rate of 24.4123 shares of our Class A common stock per $1,000 principal amount of the Convertible Notes due 2025 (equivalent to an initial conversion price of approximately $40.96 per share of our Class A common stock) (the "Initial Conversion Rate"), at any time on or after July 15, 2025 through the second scheduled trading day preceding the maturity date. Holders of the Convertible Notes due 2025 will also have the right to convert the Convertible Notes due 2025 at the Initial Conversion Rate prior to July 15, 2025, but only upon the occurrence of specified events described in the related indenture. The conversion rate is subject to anti-dilution adjustments if certain events occur. Upon any conversion, we will settle our conversion obligation in cash, shares of our Class A common stock or a combination of cash and shares of our Class A common stock, at our election.

3 3/8% Convertible Notes due 2026

On August 8, 2016, we issued $3.0 billion aggregate principal amount of the Convertible Notes due August 15, 2026 in a private unregistered offering. Interest accrues at an annual rate of 3 3/8% and is payable semi-annually in cash, in arrears on February 15 and August 15 of each year.

The Convertible Notes due 2026 are:

- our general unsecured obligations;
- ranked senior in right of payment to any future indebtedness that is expressly subordinated in right of payment to the Convertible Notes due 2026;
- ranked equally in right of payment with all of our existing and future unsecured senior indebtedness;
- ranked effectively junior to any of our existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness;
- ranked structurally junior to all indebtedness and other liabilities of our subsidiaries; and
- not guaranteed by our subsidiaries.

We may not redeem the Convertible Notes due 2026 prior to the maturity date. If a "fundamental change" (as defined in the related indenture) occurs prior to the maturity date of the Convertible Notes due 2026, holders may require us to repurchase for cash all or part of their Convertible Notes due 2026 at a specified make-whole price equal to 100% of the principal amount of such Convertible Notes due 2026, plus accrued and unpaid interest to, but not including, the fundamental change repurchase date.

The indenture related to the Convertible Notes due 2026 does not contain any financial covenants and does not restrict us from paying dividends, issuing or repurchasing our other securities, issuing new debt (including secured debt) or repaying or repurchasing our debt.

Subject to the terms of the related indenture, the Convertible Notes due 2026 may be converted at an initial conversion rate of 15.3429 shares of our Class A common stock per $1,000 principal amount of Convertible Notes due 2026 (equivalent to an initial conversion price of approximately $65.18 per share of our Class A common stock) (the "Initial Conversion Rate"), at any time on or after March 15, 2026 through the second scheduled trading day preceding the maturity date. Holders of the Convertible Notes due 2026 will also have the right to convert the Convertible Notes due 2026 at the Initial Conversion Rate prior to March 15, 2026, but only upon the occurrence of specified events described in the related indenture. The conversion rate is subject to anti-dilution adjustments if certain events occur. Upon any conversion, we will settle our conversion obligation in cash, shares of our Class A common stock or a combination of cash and shares of our Class A common stock, at our election.

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
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Convertible Note Hedge and Warrant Transactions

In connection with the offering of the Convertible Notes due 2026, we entered into convertible note hedge transactions with certain option counterparties. The convertible note hedge transactions cover, subject to anti-dilution adjustments substantially similar to those applicable to the Convertible Notes due 2026, the number of shares of our Class A common stock underlying the Convertible Notes due 2026, which initially gives us the option to purchase approximately 46 million shares of our Class A common stock at a price of approximately $65.18 per share. The total cost of the convertible note hedge transactions was $635 million. Concurrently with entering into the convertible note hedge transactions, we also entered into warrant transactions with each option counterparty whereby we sold to such option counterparty warrants to purchase, subject to customary anti-dilution adjustments, up to the same number of shares of our Class A common stock, which initially gives the option counterparties the option to purchase approximately 46 million shares of our Class A common stock at a price of approximately $86.08 per share. We received $376 million in cash proceeds from the sale of these warrants. For us, the economic effect of these transactions is to effectively raise the initial conversion price from approximately $65.18 per share of our Class A common stock to approximately $86.08 per share of our Class A common stock (thus effectively raising the conversion premium on the Convertible Notes due 2026 from approximately 32.5% to approximately 75%). In accordance with accounting guidance on hedge and warrant transactions, the net cost incurred in connection with the convertible note hedge and warrant transactions are recorded as a reduction in "Additional paid-in capital" within "Stockholders' Equity (Deficit)" on our Consolidated Balance Sheets as of December 31, 2016.

We will not be required to make any cash payments to each option counterparty or its affiliates upon the exercise of the options that are a part of the convertible note hedge transactions, but will be entitled to receive from them a number of shares of Class A common stock, an amount of cash or a combination thereof. This consideration is generally based on the amount by which the market price per share of Class A common stock, as measured under the terms of the convertible note hedge transactions, is greater than the strike price of the convertible note hedge transactions during the relevant valuation period under the convertible note hedge transactions. Additionally, if the market price per share of Class A common stock, as measured under the terms of the warrant transactions, exceeds the strike price of the warrants during the measurement period at the maturity of the warrants, we will owe each option counterparty a number of shares of Class A common stock in an amount based on the excess of such market price per share of Class A common stock over the strike price of the warrants. However, as specified under the terms of the warrant transactions, we may elect to settle the warrants in cash.

11. Commitments and Contingencies

Commitments

We currently expect capital expenditures, excluding capitalized interest, for our 5G Network Deployment to be approximately $10 billion, of which approximately $1.616 billion is included below in "Other long-term obligations."

As we continue our 5G Network Deployment, we have begun to enter into contracts for future operational expenses, such as communication tower leases. "Other long-term obligations" represent minimum contractual commitments related to communication tower obligations, certain 5G Network Deployment commitments, obligations under the NSA with AT&T, and satellite related and other obligations. "Other long-term obligations" totaled $13.591 billion as of September 30, 2021 and $4.350 billion as of December 31, 2020, an increase of $9.241 billion as of September 30, 2021. These totals could increase as we continue our 5G Network Deployment.

As of September 30, 2021, our future "Other long-term obligations" were $2.587 billion for the remaining three months of 2021 through 2022, $1.096 billion for 2023, $1.191 billion for 2024, $1.289 billion for 2025, and $7.428 billion thereafter, principally for tower obligations that extend out until 2036, for a total of $13.591 billion.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
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Future maturities of our long-term debt, finance lease and contractual obligations as disclosed in our Annual Report on Form 10-K for the year ended December 31, 2020 have not changed materially, other than those disclosed above.

AT&T Network Service Agreement. On July 14, 2021, DISH Wireless L.L.C., our indirect wholly-owned subsidiary, and AT&T entered into a ten-year NSA, which will provide customers of Boost Mobile, Ting Mobile and Republic Wireless and all future brands coverage on AT&T's network.

Under the NSA, AT&T becomes our primary network services provider, as we have committed to activate on AT&T's network at least a minimum percentage of certain of our MVNO subscribers in the U.S. who receive services through a third-party network and to utilize AT&T's network for a minimum specified percentage of our domestic roaming data usage for our MNO subscribers. We have agreed to pay AT&T at least $5 billion over the course of the ten-year term of the NSA, subject to certain terms and conditions, which commitment is included in "Other long-term obligations" above.

The description of the NSA above is not complete and is qualified in its entirety by the actual terms of the NSA, a redacted copy of which is filed with the U.S. Securities and Exchange Commission as an exhibit to the Company's Quarterly Report on Form 10-Q for this quarterly period ended September 30, 2021.

Wireless – 5G Network Deployment

We have directly invested over $12 billion to acquire certain wireless spectrum licenses and related assets and made over $10 billion in non-controlling investments in certain entities, for a total of over $22 billion. The $22 billion of investments related to wireless spectrum licenses does not include $6 billion of capitalized interest related to the carrying value of such licenses. See Note 2 for further information on capitalized interest.

Recent Wireless Spectrum Acquisitions

3550-3650 MHz. The auction for the Priority Access Licenses for the 3550-3650 MHz band began on July 23, 2020 and ended on August 25, 2020. On September 2, 2020, the FCC announced that Wetterhorn Wireless L.L.C. ("Wetterhorn"), a wholly-owned subsidiary of DISH Network, was the winning bidder of 5,492 Priority Access Licenses in the 3550-3650 MHz band, with Wetterhorn's aggregate winning bids totaling approximately $913 million. During the second and third quarters 2020, we paid $83 million and $100 million, respectively, to the FCC for our winning bids. On October 1, 2020, we paid the remaining balance of our winning bids of approximately $730 million. On March 12, 2021, the FCC issued an order granting Wetterhorn's application to acquire the 3550-3650 MHz licenses (the "3550-3650 MHz GHz Licenses"). The payments made in 2020 were included in "Other current assets" as of December 31, 2020 and have been reclassified to "FCC authorizations" as of September 30, 2021 on our Condensed Consolidated Balance Sheets.

3.7-3.98 GHz. The auction for the Flexible-Use Service Licenses in the 3.7-3.98 GHz Band ("Auction 107") began on December 8, 2020 and ended on February 17, 2021. On February 24, 2021, the FCC announced that Little Bear Wireless L.L.C. ("Little Bear"), a wholly-owned subsidiary of DISH Network, was the winning bidder of one Flexible-Use Service License in the 3.7-3.98 GHz band, with Little Bear's aggregate winning bid totaling approximately $3 million. On November 2, 2020, we paid $340 million to the FCC as a deposit for Auction 107. On March 24, 2021, we received a $337 million refund for the balance of our deposit less our winning bid amount. On July 23, 2021, the FCC issued an order granting Little Bear's application to acquire the 20 MHz license covering the Cheyenne, Wyoming Partial Economic Area in the 3.7-3.98 GHz band license.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
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Wireless Spectrum Licenses

These wireless spectrum licenses are subject to certain interim and final build-out requirements, as well as certain renewal requirements that are summarized in the table below:

	As of September 30, 2021 Carrying Amount (In thousands)	Build-Out Deadlines Interim	Final	Expiration Date
Owned:				
DBS Licenses (1)	$ 677,409			
700 MHz Licenses	711,871	June 14, 2022 (2)	June 14, 2023 (4)	June 2023
AWS-4 Licenses	1,940,000	June 14, 2022 (2)	June 14, 2023 (4)	June 2023
H Block Licenses	1,671,506	June 14, 2022 (2)	June 14, 2023 (5)	June 2023
600 MHz Licenses	6,211,154		June 14, 2025 (6)	June 2029
MVDDS Licenses (1)	24,000			August 2024
LMDS Licenses (1)	—			September 2028
28 GHz Licenses	2,883		October 2, 2029 (7)	October 2029
24 GHz Licenses	11,772		December 11, 2029 (7)	December 2029
37 GHz, 39 GHz and 47 GHz Licenses	202,533		June 4, 2030 (7)	June 2030
3550-3650 MHz Licenses	912,939		March 12, 2031 (7)	March 2031
3.7-3.98 GHz Licenses	2,580	July 23, 2029 (7)	July 23, 2033 (7)	July 2036
Subtotal	12,368,647			
Non-controlling Investments:				
Northstar	5,618,930	October 2021 (3)	October 2027 (8)	October 2027 (8)
SNR	4,271,459	October 2021 (3)	October 2027 (8)	October 2027 (8)
Total AWS-3 Licenses	9,890,389			
Capitalized Interest (9)	6,155,457			
Total	$ 28,414,493			

(1) The build-out deadlines for these licenses have been met.
(2) For these licenses, we must offer 5G broadband service to at least 20% of the United States population and have developed a core network by this date.
(3) For these licenses, Northstar Wireless and SNR Wireless must provide reliable signal coverage and offer service to at least 40% of the population of each license area by this date. See (8) below for final build-out deadlines.
(4) For these licenses, we must offer 5G broadband service to 70% of the United States population by this date; provided, however, if by June 14, 2023, we are offering 5G broadband service with respect to these licenses to at least 50% of the population of the United States, the final deadline shall be further extended automatically to June 14, 2025, for us to construct and offer 5G broadband service to at least 70% of the population in each Economic Area (which is a service area established by the FCC) with respect to these licenses.
(5) For these licenses, we must offer 5G broadband service to at least 70% of the United States population by this date; provided, however, that if by June 14, 2023, we are offering 5G broadband service with respect to these licenses to at least 50% of the population of the United States, the final deadline shall be further extended automatically to June 14, 2025, for us to construct and offer 5G broadband service to at least 75% of the population in each Economic Area with respect to these licenses.
(6) For these licenses, we must offer 5G broadband service to at least 75% of the population in each Partial Economic Area (which are service areas established by the FCC) by this date.
(7) There are a variety of build-out options and associated build-out metrics associated with these licenses.
(8) For these licenses, Northstar Wireless and SNR Wireless must provide reliable signal coverage and offer service to at least 75% of the population of each license area by this date. If the AWS-3 interim build-out requirement is not met, the AWS-3 expiration date and the AWS-3 final build-out requirement may be accelerated by two years (from October 2027 to October 2025) for each AWS-3 License area in which Northstar Wireless and SNR Wireless do not meet the requirement.

(9) See Note 2 for further information.

Commercialization of Our Wireless Spectrum Licenses and Related Assets. We plan to commercialize our wireless spectrum licenses through our 5G Network Deployment. To that end, we have undertaken several key steps including identifying markets to build out, making executive and management hires and entering into agreements with key vendors. For example, on November 16, 2020, we announced a long-term agreement with Crown Castle pursuant to which Crown Castle will lease us space on up to 20,000 communication towers. As part of the agreement, we will also receive certain fiber transport services and have the option to utilize Crown Castle for pre-construction services. We entered into a similar agreement with American Tower on March 15, 2021 and have also entered into agreements with a number of other tower providers. We have also entered into multiple long-term agreements with vendors including, among others, Amazon, Dell, Fujitsu, Palo Alto and VMware for cloud computing service, radios, software, network security, and other services related to our 5G Network Deployment. We currently have over 35 markets under construction, including Las Vegas, Nevada, and also commenced the initial launch of consumer beta service in Las Vegas. We currently expect capital expenditures, excluding capitalized interest, for our 5G Network Deployment to be approximately $10 billion.

Prior to starting our 5G Network Deployment, we notified the FCC in March 2017 that we planned to deploy a narrowband IoT network on certain of these wireless licenses, which we expected to complete by March 2020, with subsequent phases to be completed thereafter. In light of, among other things, certain developments related to the Sprint/T-Mobile merger, during the first quarter of 2020, we determined that the revision of certain of our build-out deadlines was probable and, therefore, we no longer intended to complete our narrowband IoT deployment. The FCC issued an Order effectuating the build-out deadline changes contemplated above on September 11, 2020. During the first quarter of 2020, we impaired certain assets that would not be utilized in our 5G Network Deployment, resulting in a $253 million non-cash impairment charge in "Impairment of long-lived assets" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

We will need to make significant additional investments or partner with others to, among other things, complete our 5G Network Deployment and further commercialize, build-out and integrate these licenses and related assets and any additional acquired licenses and related assets, as well as to comply with regulations applicable to such licenses. Depending on the nature and scope of such activities, any such investments or partnerships could vary significantly. In addition, as we complete our 5G Network Deployment we will incur significant additional expenses and will have to make significant investments related to, among other things, research and development, wireless testing and wireless network infrastructure. We may also determine that additional wireless spectrum licenses may be required to complete our 5G Network Deployment and to compete with other wireless service providers. For example, on July 21, 2021, we filed an application with the FCC to participate as a potential bidder in the wireless spectrum auction for the Flexible-Use Service Licenses in the 3.45–3.55 GHz band ("Auction 110"). On September 17, 2021, the FCC announced that we and 32 other applicants were qualified to participate in Auction 110. The auction commenced on October 5, 2021. The FCC determined that bidding in this auction will be "anonymous," which means that prior to and during the course of the auction, the FCC will not make public any information about a specific applicant's upfront deposit or its bids. In addition, FCC rules restrict information that bidders may disclose about their participation in the auction.

We may need to raise significant additional capital in the future to fund the efforts described above, which may not be available on acceptable terms or at all. There can be no assurance that we will be able to develop and implement a business model that will realize a return on these wireless spectrum licenses or that we will be able to profitably deploy the assets represented by these wireless spectrum licenses, which may affect the carrying amount of these assets and our future financial condition or results of operations.

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

DISH Network Non-Controlling Investments in the Northstar Entities and the SNR Entities Related to AWS-3 Wireless Spectrum Licenses

Non-Controlling Investments

During 2015, through our wholly-owned subsidiaries American II and American III, we initially made over $10 billion in certain non-controlling investments in Northstar Spectrum, the parent company of Northstar Wireless, and in SNR HoldCo, the parent company of SNR Wireless, respectively. Under the applicable accounting guidance in ASC 810, Northstar Spectrum and SNR HoldCo are considered variable interest entities and, based on the characteristics of the structure of these entities and in accordance with the applicable accounting guidance, we consolidate these entities into our financial statements. See Note 2 for further information.

Northstar Investment. As of 2015, through American II, we owned a non-controlling interest in Northstar Spectrum, which was comprised of 85% of the Class B Common Interests and 100% of the Class A Preferred Interests of Northstar Spectrum. Northstar Manager is the sole manager of Northstar Spectrum and owns a controlling interest in Northstar Spectrum, which was comprised of 15% of the Class B Common Interests of Northstar Spectrum. As of March 31, 2018, the total equity contributions from American II and Northstar Manager to Northstar Spectrum were approximately $7.621 billion and $133 million, respectively. As of March 31, 2018, the total loans from American II to Northstar Wireless under the Northstar Credit Agreement (as defined below) for payments to the FCC related to the Northstar Licenses (as defined below) were approximately $500 million. See below for further information.

Northstar Purchase Agreement. On December 30, 2020, through our wholly-owned subsidiary American II, we entered into a Purchase Agreement (the "Northstar Purchase Agreement") with Northstar Manager and Northstar Spectrum, pursuant to which American II purchased 80% of Northstar Manager's Class B Common Interests in Northstar Spectrum (the "Northstar Transaction") for a purchase price of approximately $312 million. As a result of the Northstar Transaction, through American II, we hold 97% of the Class B Common Interests in Northstar Spectrum and Northstar Manager holds 3% of the Class B Common Interests in Northstar Spectrum. Other than the change in ownership percentage of Northstar Spectrum, the Northstar Transaction did not modify or amend in any way the existing arrangements between or among the Northstar parties. In the Northstar Purchase Agreement, Northstar Manager waived its right to exercise the Northstar Put Right under the First Northstar Put Window. Northstar Manager retains its right to exercise the Northstar Put Right during the Second Northstar Put Window. See below for further information.

SNR Investment. As of 2015, through American III, we own a non-controlling interest in SNR HoldCo, which is comprised of 85% of the Class B Common Interests and 100% of the Class A Preferred Interests of SNR HoldCo. SNR Management is the sole manager of SNR HoldCo and owns a controlling interest in SNR HoldCo, which is comprised of 15% of the Class B Common Interests of SNR HoldCo. As of March 31, 2018, the total equity contributions from American III and SNR Management to SNR HoldCo were approximately $5.590 billion and $93 million, respectively. As of March 31, 2018, the total loans from American III to SNR Wireless under the SNR Credit Agreement (as defined below) for payments to the FCC related to the SNR Licenses (as defined below) were approximately $500 million. See below for further information.

AWS-3 Auction

Northstar Wireless and SNR Wireless each filed applications with the FCC to participate in Auction 97 (the "AWS-3 Auction") for the purpose of acquiring certain AWS-3 Licenses. Each of Northstar Wireless and SNR Wireless applied to receive bidding credits of 25% as designated entities under applicable FCC rules. Northstar Wireless was the winning bidder for AWS-3 Licenses with gross winning bid amounts totaling approximately $7.845 billion, which after taking into account a 25% bidding credit, was approximately $5.884 billion. SNR Wireless was the winning bidder for AWS-3 Licenses with gross winning bid amounts totaling approximately $5.482 billion, which after taking into account a 25% bidding credit, was approximately $4.112 billion. In addition to the net winning bids, SNR Wireless made a bid withdrawal payment of approximately $8 million.

FCC Order and October 2015 Arrangements. On August 18, 2015, the FCC released a *Memorandum Opinion and Order*, FCC 15-104 (the "Order") in which the FCC determined, among other things, that DISH Network has a controlling interest in, and is an affiliate of, Northstar Wireless and SNR Wireless, and therefore DISH Network's revenues should be attributed to them, which in turn makes Northstar Wireless and SNR Wireless ineligible to receive the 25% bidding credits (approximately $1.961 billion for Northstar Wireless and $1.370 billion for SNR Wireless). On November 23, 2020, the FCC released a Memorandum Opinion and Order on Remand, FCC 20-160, that found that Northstar Wireless and SNR Wireless are not eligible for bidding credits based on the FCC's determination that they remain under DISH Network's *de facto* control. Northstar Wireless and SNR Wireless have appealed the FCC's order to the D.C. Circuit Court of Appeals.

Letters Exchanged between Northstar Wireless and the FCC Wireless Bureau. As outlined in letters exchanged between Northstar Wireless and the Wireless Telecommunications Bureau of the FCC (the "FCC Wireless Bureau"), Northstar Wireless paid the gross winning bid amounts for 261 AWS-3 Licenses (the "Northstar Licenses") totaling approximately $5.619 billion through the application of funds already on deposit with the FCC. Northstar Wireless also notified the FCC that it would not be paying the gross winning bid amounts for 84 AWS-3 Licenses totaling approximately $2.226 billion.

As a result of the nonpayment of those gross winning bid amounts, the FCC retained those licenses and Northstar Wireless owed the FCC an additional interim payment of approximately $334 million (the "Northstar Interim Payment"), which is equal to 15% of $2.226 billion. The Northstar Interim Payment was recorded as an expense during the fourth quarter of 2015. Northstar Wireless immediately satisfied the Northstar Interim Payment through the application of funds already on deposit with the FCC and an additional loan from American II of approximately $69 million. As a result, the FCC will not deem Northstar Wireless to be a "current defaulter" under applicable FCC rules.

In addition, the FCC Wireless Bureau acknowledged that Northstar Wireless' nonpayment of those gross winning bid amounts does not constitute action involving gross misconduct, misrepresentation or bad faith. Therefore, the FCC concluded that such nonpayment will not affect the eligibility of Northstar Wireless, its investors (including DISH Network) or their respective affiliates to participate in future spectrum auctions (including Auction 1000 and any re-auction of the AWS-3 licenses retained by the FCC). At this time, DISH Network (through itself, a subsidiary or another entity in which it may hold a direct or indirect interest) expects to participate in any re-auction of those AWS-3 licenses.

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

If the winning bids from re-auction or other award of the AWS-3 licenses retained by the FCC are greater than or equal to the winning bids of Northstar Wireless, no additional amounts will be owed to the FCC. However, if those winning bids are less than the winning bids of Northstar Wireless, then Northstar Wireless will be responsible for the difference less any overpayment of the Northstar Interim Payment (which will be recalculated as 15% of the winning bids from re-auction or other award) (the "Northstar Re-Auction Payment"). For example, if the winning bids in a re-auction are $1, the Northstar Re-Auction Payment would be approximately $1.892 billion, which is calculated as the difference between $2.226 billion (the Northstar winning bid amounts) and $1 (the winning bids from re-auction) less the resulting $334 million overpayment of the Northstar Interim Payment. As discussed above, at this time, DISH Network (through itself, a subsidiary or another entity in which it may hold a direct or indirect interest) expects to participate in any re-auction. We cannot predict with any degree of certainty the timing or outcome of any re-auction or the amount of any Northstar Re-Auction Payment.

DISH Network Guaranty in Favor of the FCC for Certain Northstar Wireless Obligations. On October 1, 2015, DISH Network entered into a guaranty in favor of the FCC (the "FCC Northstar Guaranty") with respect to the Northstar Interim Payment (which was satisfied on October 1, 2015) and any Northstar Re-Auction Payment. The FCC Northstar Guaranty provides, among other things, that during the period between the due date for the payments guaranteed under the FCC Northstar Guaranty and the date such guaranteed payments are paid: (i) Northstar Wireless' payment obligations to American II under the Northstar Credit Agreement will be subordinated to such guaranteed payments; and (ii) DISH Network or American II will withhold exercising certain rights as a creditor of Northstar Wireless.

Letters Exchanged between SNR Wireless and the FCC Wireless Bureau. As outlined in letters exchanged between SNR Wireless and the FCC Wireless Bureau, SNR Wireless paid the gross winning bid amounts for 244 AWS-3 Licenses (the "SNR Licenses") totaling approximately $4.271 billion through the application of funds already on deposit with the FCC and a portion of an additional loan from American III in an aggregate amount of approximately $344 million (which included an additional bid withdrawal payment of approximately $3 million). SNR Wireless also notified the FCC that it would not be paying the gross winning bid amounts for 113 AWS-3 Licenses totaling approximately $1.211 billion.

As a result of the nonpayment of those gross winning bid amounts, the FCC retained those licenses and SNR Wireless owed the FCC an additional interim payment of approximately $182 million (the "SNR Interim Payment"), which is equal to 15% of $1.211 billion. The SNR Interim Payment was recorded as an expense during the fourth quarter of 2015. SNR Wireless immediately satisfied the SNR Interim Payment through a portion of an additional loan from American III in an aggregate amount of approximately $344 million. As a result, the FCC will not deem SNR Wireless to be a "current defaulter" under applicable FCC rules.

In addition, the FCC Wireless Bureau acknowledged that SNR Wireless' nonpayment of those gross winning bid amounts does not constitute action involving gross misconduct, misrepresentation or bad faith. Therefore, the FCC concluded that such nonpayment will not affect the eligibility of SNR Wireless, its investors (including DISH Network) or their respective affiliates to participate in future spectrum auctions (including Auction 1000 and any re-auction of the AWS-3 licenses retained by the FCC). At this time, DISH Network (through itself, a subsidiary or another entity in which it may hold a direct or indirect interest) expects to participate in any re-auction of those AWS-3 licenses.

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

If the winning bids from re-auction or other award of the AWS-3 licenses retained by the FCC are greater than or equal to the winning bids of SNR Wireless, no additional amounts will be owed to the FCC. However, if those winning bids are less than the winning bids of SNR Wireless, then SNR Wireless will be responsible for the difference less any overpayment of the SNR Interim Payment (which will be recalculated as 15% of the winning bids from re-auction or other award) (the "SNR Re-Auction Payment"). For example, if the winning bids in a re-auction are $1, the SNR Re-Auction Payment would be approximately $1.029 billion, which is calculated as the difference between $1.211 billion (the SNR winning bid amounts) and $1 (the winning bids from re-auction) less the resulting $182 million overpayment of the SNR Interim Payment. As discussed above, at this time, DISH Network (through itself, a subsidiary or another entity in which it may hold a direct or indirect interest) expects to participate in any re-auction. We cannot predict with any degree of certainty the timing or outcome of any re-auction or the amount of any SNR Re-Auction Payment.

DISH Network Guaranty in Favor of the FCC for Certain SNR Wireless Obligations. On October 1, 2015, DISH Network entered into a guaranty in favor of the FCC (the "FCC SNR Guaranty") with respect to the SNR Interim Payment (which was satisfied on October 1, 2015) and any SNR Re-Auction Payment. The FCC SNR Guaranty provides, among other things, that during the period between the due date for the payments guaranteed under the FCC SNR Guaranty and the date such guaranteed payments are paid: (i) SNR Wireless' payment obligations to American III under the SNR Credit Agreement will be subordinated to such guaranteed payments; and (ii) DISH Network or American III will withhold exercising certain rights as a creditor of SNR Wireless.

FCC Licenses. On October 27, 2015, the FCC granted the Northstar Licenses to Northstar Wireless and the SNR Licenses to SNR Wireless, respectively, which are recorded in "FCC authorizations" on our Condensed Consolidated Balance Sheets. The AWS-3 Licenses are subject to certain interim and final build-out requirements. By October 2021, Northstar Wireless and SNR Wireless must provide reliable signal coverage and offer service to at least 40% of the population in each area covered by an individual AWS-3 License (the "AWS-3 Interim Build-Out Requirement"). By October 2027, Northstar Wireless and SNR Wireless must provide reliable signal coverage and offer service to at least 75% of the population in each area covered by an individual AWS-3 License (the "AWS-3 Final Build-Out Requirement"). If the AWS-3 Interim Build-Out Requirement is not met, the AWS-3 License term and the AWS-3 Final Build-Out Requirement may be accelerated by two years (from October 2027 to October 2025) for each AWS-3 License area in which Northstar Wireless and SNR Wireless do not meet the requirement.

If the AWS-3 Final Build-Out Requirement is not met, the authorization for each AWS-3 License area in which Northstar Wireless and SNR Wireless do not meet the requirement may terminate. These wireless spectrum licenses expire in October 2027 unless they are renewed by the FCC. There can be no assurances that the FCC will renew these wireless spectrum licenses.

Qui Tam. On September 23, 2016, the United States District Court for the District of Columbia unsealed a qui tam complaint that was filed by Vermont National Telephone Company ("Vermont National") against us; our wholly-owned subsidiaries, American AWS-3 Wireless I L.L.C., American II, American III, and DISH Wireless Holding L.L.C.; Charles W. Ergen (our Chairman) and Cantey M. Ergen (a member of our board of directors); Northstar Wireless; Northstar Spectrum; Northstar Manager; SNR Wireless; SNR HoldCo; SNR Management; and certain other parties. See "*Contingencies – Litigation – Vermont National Telephone Company*" for further information.

D.C. Circuit Court Opinion. On August 29, 2017, the United States Court of Appeals for the District of Columbia Circuit (the "D.C. Circuit") in *SNR Wireless LicenseCo, LLC, et al. v. Federal Communications Commission*, 868 F.3d 1021 (D.C. Cir. 2017) (the "Appellate Decision") affirmed the Order in part, and remanded the matter to the FCC to give Northstar Wireless and SNR Wireless an opportunity to seek to negotiate a cure of the issues identified by the FCC in the Order (a "Cure"). On January 26, 2018, SNR Wireless and Northstar Wireless filed a petition for a writ of certiorari, asking the United States Supreme Court to hear an appeal from the Appellate Decision, which the United States Supreme Court denied on June 25, 2018.

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
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Order on Remand. On January 24, 2018, the FCC released an Order on Remand, DA 18-70 (the "Order on Remand") purporting to establish a procedure to afford Northstar Wireless and SNR Wireless the opportunity to implement a Cure pursuant to the Appellate Decision. On June 8, 2018, Northstar Wireless and SNR Wireless each filed amended agreements to demonstrate that, in light of such changes, each of Northstar Wireless and SNR Wireless qualified for the very small business bidding credit that it sought in the AWS-3 Auction. Northstar Wireless and SNR Wireless filed a Joint Application for Review of the Order on Remand requesting, among other things, an iterative negotiation process with the FCC regarding a Cure, which was denied on July 12, 2018. The pleading cycle established in the Order on Remand concluded in October 2018. On November 23, 2020, the FCC issued a Memorandum Opinion and Order that concluded, among other things, that DISH Network retained de facto control over Northstar Wireless and SNR Wireless and denied the very small business bidding credit sought by Northstar Wireless and SNR Wireless, even though the parties had eliminated or significantly modified every provision previously deemed to have been disqualifying by the FCC. Northstar Wireless and SNR Wireless timely filed an appeal of the FCC's 2020 decision, which remains pending at the United States Court of Appeals for the District of Columbia Circuit. We cannot predict with any degree of certainty the outcome of the appeal.

Northstar Operative Agreements

Northstar LLC Agreement. Northstar Spectrum is governed by a limited liability company agreement by and between American II and Northstar Manager (the "Northstar Spectrum LLC Agreement"). Pursuant to the Northstar Spectrum LLC Agreement, American II and Northstar Manager made pro-rata equity contributions in Northstar Spectrum.

On March 31, 2018, American II, Northstar Spectrum, and Northstar Manager amended and restated the Northstar Spectrum LLC Agreement, to, among other things: (i) exchange $6.870 billion of the amounts outstanding and owed by Northstar Wireless to American II pursuant to the Northstar Credit Agreement (as defined below) for 6,870,493 Class A Preferred Interests in Northstar Spectrum (the "Northstar Preferred Interests"); (ii) replace the existing investor protection provisions with the investor protections described by the FCC in Baker Creek Communications, LLC, Memorandum Opinion and Order, 13 FCC Rcd 18709, 18715 (1998); (iii) delete the obligation of Northstar Manager to consult with American II regarding budgets and business plans; and (iv) remove the requirement that Northstar Spectrum's systems be interoperable with ours.

The Northstar Preferred Interests: (a) are non-voting; (b) have a 12 percent mandatory quarterly distribution, which can be paid in cash or additional face amount of Northstar Preferred Interests at the sole discretion of Northstar Manager; and (c) have a liquidation preference equal to the then-current face amount of the Northstar Preferred Interests plus accrued and unpaid mandatory quarterly distributions in the event of certain liquidation events or deemed liquidation events (e.g., a merger or dissolution of Northstar Spectrum, or a sale of substantially all of Northstar Spectrum's assets). As a result of the exchange noted in (i) above, a principal amount of $500 million of debt remains under the Northstar Credit Agreement, as described below.

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

On June 7, 2018, American II, Northstar Spectrum, and Northstar Manager amended and restated the Second Amended and Restated Limited Liability Company Agreement, dated March 31, 2018, by and among American II, Northstar Spectrum, and Northstar Manager, to, among other things: (i) reduce the mandatory quarterly distribution for the Northstar Preferred Interests from 12 percent to eight percent from and after June 7, 2018; (ii) increase the window for Northstar Manager to "put" its interest in Northstar Spectrum to Northstar Spectrum after October 27, 2020 from 30 days to 90 days; (iii) provide an additional 90-day window for Northstar Manager to put its interest in Northstar Spectrum to Northstar Spectrum commencing on October 27, 2021; (iv) provide a right for Northstar Manager to require an appraisal of the fair market value of its interest in Northstar Spectrum at any time from October 27, 2022 through October 27, 2024, coupled with American II having the right to accept the offer to sell from Northstar Manager; (v) allow Northstar Manager to sell its interest in Northstar Spectrum without American II's consent any time after October 27, 2020 (previously October 27, 2025); (vi) allow Northstar Spectrum to conduct an initial public offering without American II's consent any time after October 27, 2022 (previously October 27, 2029); (vii) remove American II's rights of first refusal with respect to Northstar Manager's sale of its interest in Northstar Spectrum or Northstar Spectrum's sale of any AWS-3 Licenses; and (viii) remove American II's tag along rights with respect to Northstar Manager's sale of its interest in Northstar Spectrum. Northstar Manager had the right to put its interest in Northstar Spectrum to Northstar Spectrum for a 90-day period beginning October 27, 2020, which Northstar Manager waived in connection with the Northstar Purchase Agreement. Northstar Manager has the right to put its interest in Northstar Spectrum to Northstar Spectrum, which expires on January 25, 2022.

Northstar Wireless Credit Agreement. On October 1, 2015, American II, Northstar Wireless and Northstar Spectrum amended the First Amended and Restated Credit Agreement dated October 13, 2014, by and among American II, as Lender, Northstar Wireless, as Borrower, and Northstar Spectrum, as Guarantor (as amended, the "Northstar Credit Agreement"), to provide, among other things, that: (i) the Northstar Interim Payment and any Northstar Re-Auction Payment will be made by American II directly to the FCC and will be deemed as loans under the Northstar Credit Agreement; (ii) the FCC is a third-party beneficiary with respect to American II's obligation to pay the Northstar Interim Payment and any Northstar Re-Auction Payment; (iii) in the event that the winning bids from re-auction or other award of the AWS-3 licenses retained by the FCC are less than the winning bids of Northstar Wireless, the purchaser, assignee or transferee of any AWS-3 Licenses from Northstar Wireless is obligated to pay its pro-rata share of the difference (and Northstar Wireless remains jointly and severally liable for such pro-rata share); and (iv) during the period between the due date for the payments guaranteed under the FCC Northstar Guaranty (as discussed below) and the date such guaranteed payments are paid, Northstar Wireless' payment obligations to American II under the Northstar Credit Agreement will be subordinated to such guaranteed payments.

On March 31, 2018, American II, Northstar Wireless, and Northstar Spectrum amended and restated the Northstar Credit Agreement, to, among other things: (i) lower the interest rate on the remaining $500 million principal balance under the Northstar Credit Agreement from 12 percent per annum to six percent per annum; (ii) eliminate the higher interest rate that would apply in the case of an event of default; and (iii) modify and/or remove certain obligations of Northstar Wireless to prepay the outstanding loan amounts.

On June 7, 2018, American II, Northstar Wireless, and Northstar Spectrum amended and restated the Northstar Credit Agreement to, among other things: (i) extend the maturity date on the remaining loan balance from seven years to ten years; and (ii) remove the obligation of Northstar Wireless to obtain American II's consent for unsecured financing and equipment financing in excess of $25 million.

SNR Operative Agreements

SNR LLC Agreement. SNR HoldCo is governed by a limited liability company agreement by and between American III and SNR Management (the "SNR HoldCo LLC Agreement"). Pursuant to the SNR HoldCo LLC Agreement, American III and SNR Management made pro-rata equity contributions in SNR HoldCo.

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

On March 31, 2018, American III, SNR Holdco, SNR Wireless Management, and John Muleta amended and restated the SNR HoldCo LLC Agreement, to, among other things: (i) exchange $5.065 billion of the amounts outstanding and owed by SNR Wireless to American III pursuant to the SNR Credit Agreement (as defined below) for 5,065,415 Class A Preferred Interests in SNR Holdco (the "SNR Preferred Interests"); (ii) replace the existing investor protection provisions with the investor protections described by the FCC in Baker Creek Communications, LLC, Memorandum Opinion and Order, 13 FCC Rcd 18709, 18715 (1998); (iii) delete the obligation of SNR Management to consult with American III regarding budgets and business plans; and (iv) remove the requirement that SNR Management's systems be interoperable with ours. The SNR Preferred Interests: (a) are non-voting; (b) have a 12 percent mandatory quarterly distribution, which can be paid in cash or additional face amount of SNR Preferred Interests at the sole discretion of SNR Management; and (c) have a liquidation preference equal to the then-current face amount of the SNR Preferred Interests plus accrued and unpaid mandatory quarterly distributions in the event of certain liquidation events or deemed liquidation events (e.g., a merger or dissolution of SNR Holdco, or a sale of substantially all of SNR Holdco's assets). As a result of the exchange noted in (i) above, a principal amount of $500 million of debt remains under the SNR Credit Agreement, as described below.

On June 7, 2018, American III, SNR Holdco, SNR Management, and John Muleta amended and restated the Second Amended and Restated Limited Liability Company Agreement, dated March 31, 2018, by and among American III, SNR Holdco, SNR Management and John Muleta, to, among other things: (i) reduce the mandatory quarterly distribution for the SNR Preferred Interests from 12 percent to eight percent from and after June 7, 2018; (ii) increase the window for SNR Management to "put" its interest in SNR Holdco to SNR Holdco after October 27, 2020 from 30 days to 90 days; (iii) provide an additional 90-day window for SNR Management to put its interest in SNR Holdco to SNR Holdco commencing on October 27, 2021; (iv) provide a right for SNR Management to require an appraisal of the fair market value of its interest in SNR Holdco at any time from October 27, 2022 through October 27, 2024, coupled with American III having the right to accept the offer to sell from SNR Management; (v) allow SNR Management to sell its interest in SNR Holdco without American III's consent any time after October 27, 2020 (previously October 27, 2025); (vi) allow SNR Holdco to conduct an initial public offering without American III's consent any time after October 27, 2022 (previously October 27, 2029); (vii) remove American III's rights of first refusal with respect to SNR Management's sale of its interest in SNR Holdco or SNR Holdco's sale of any AWS-3 Licenses; and (viii) remove American III's tag along rights with respect to SNR Management's sale of its interest in SNR Holdco. SNR Management had the right to put its interest in SNR Holdco to SNR Holdco for a 90-day period from October 27, 2020. The First SNR Put Window closed in the first quarter of 2021, was not exercised and expired in January 2021. SNR Management has the right to put its interest in SNR Holdco to SNR Holdco, which expires on January 25, 2022.

SNR Credit Agreement. On October 1, 2015, American III, SNR Wireless and SNR HoldCo amended the First Amended and Restated Credit Agreement dated October 13, 2014, by and among American III, as Lender, SNR Wireless, as Borrower, and SNR HoldCo, as Guarantor (as amended, the "SNR Credit Agreement"), to provide, among other things, that: (i) the SNR Interim Payment and any SNR Re-Auction Payment will be made by American III directly to the FCC and will be deemed as loans under the SNR Credit Agreement; (ii) the FCC is a third-party beneficiary with respect to American III's obligation to pay the SNR Interim Payment and any SNR Re-Auction Payment; (iii) in the event that the winning bids from re-auction or other award of the AWS-3 licenses retained by the FCC are less than the winning bids of SNR Wireless, the purchaser, assignee or transferee of any AWS-3 Licenses from SNR Wireless is obligated to pay its pro-rata share of the difference (and SNR Wireless remains jointly and severally liable for such pro-rata share); and (iv) during the period between the due date for the payments guaranteed under the FCC SNR Guaranty (as discussed below) and the date such guaranteed payments are paid, SNR Wireless' payment obligations to American III under the SNR Credit Agreement will be subordinated to such guaranteed payments.

On March 31, 2018, American III, SNR Wireless, and SNR Holdco amended and restated the SNR Credit Agreement, to, among other things: (i) lower the interest rate on the remaining $500 million principal balance under the SNR Credit Agreement from 12 percent per annum to six percent per annum; (ii) eliminate the higher interest rate that would apply in the case of an event of default; and (iii) modify and/or remove certain obligations of SNR Wireless to prepay the outstanding loan amounts.

On June 7, 2018, American III, SNR Wireless, and SNR Holdco amended and restated the SNR Credit Agreement to, among other things: (i) extend the maturity date on the remaining loan balance from seven years to ten years; and (ii) remove the obligation of SNR Wireless to obtain American III's consent for unsecured financing and equipment financing in excess of $25 million.

As of September 30, 2021 and December 31, 2020, Northstar Manager's ownership interest in Northstar Spectrum and SNR Management's ownership interest in SNR HoldCo was $382 million and $351 million, respectively, recorded as "Redeemable noncontrolling interests" on our Condensed Consolidated Balance Sheets.

The Northstar Entities and/or the SNR Entities may need to raise significant additional capital in the future, which may be obtained from third party sources or from us, so that the Northstar Entities and the SNR Entities may commercialize, build-out and integrate these AWS-3 Licenses, comply with regulations applicable to such AWS-3 Licenses, and make any potential Northstar Re-Auction Payment and SNR Re-Auction Payment for the AWS-3 licenses retained by the FCC. Depending upon the nature and scope of such commercialization, build-out and integration efforts, regulatory compliance, and potential Northstar Re-Auction Payment and SNR Re-Auction Payment, any loans, equity contributions or partnerships could vary significantly. There can be no assurance that we will be able to obtain a profitable return on our non-controlling investments in the Northstar Entities and the SNR Entities.

Contingencies

Separation Agreement

On January 1, 2008, we completed the distribution of our technology and set-top box business and certain infrastructure assets (the "Spin-off") into a separate publicly-traded company, EchoStar. In connection with the Spin-off, we entered into a separation agreement with EchoStar that provides, among other things, for the division of certain liabilities, including liabilities resulting from litigation. Under the terms of the separation agreement, EchoStar has assumed certain liabilities that relate to its business, including certain designated liabilities for acts or omissions that occurred prior to the Spin-off. Certain specific provisions govern intellectual property related claims under which, generally, EchoStar will only be liable for its acts or omissions following the Spin-off and we will indemnify EchoStar for any liabilities or damages resulting from intellectual property claims relating to the period prior to the Spin-off, as well as our acts or omissions following the Spin-off. On February 28, 2017, we and EchoStar and certain of our respective subsidiaries completed the transactions contemplated by the Share Exchange Agreement (the "Share Exchange Agreement") that was previously entered into on January 31, 2017 (the "Share Exchange"), pursuant to which certain assets that were transferred to EchoStar in the Spin-off were transferred back to us. On September 10, 2019, we and EchoStar and certain of our respective subsidiaries completed the transactions contemplated by the Master Transaction Agreement (the "Master Transaction Agreement") that was previously entered into on May 19, 2019, pursuant to which certain assets that were transferred to EchoStar in the Spin-off were transferred back to us. The Share Exchange Agreement and the Master Transaction Agreement contain additional indemnification provisions between us and EchoStar for certain liabilities and legal proceedings.

Litigation

We are involved in a number of legal proceedings (including those described below) concerning matters arising in connection with the conduct of our business activities. Many of these proceedings are at preliminary stages, and many of these proceedings seek an indeterminate amount of damages. We regularly evaluate the status of the legal proceedings in which we are involved to assess whether a loss is probable or there is a reasonable possibility that a loss or an additional loss may have been incurred and to determine if accruals are appropriate. If accruals are not appropriate, we further evaluate each legal proceeding to assess whether an estimate of the possible loss or range of possible loss can be made.

For certain cases described on the following pages, management is unable to provide a meaningful estimate of the possible loss or range of possible loss because, among other reasons, (i) the proceedings are in various stages; (ii) damages have not been sought; (iii) damages are unsupported and/or exaggerated; (iv) there is uncertainty as to the outcome of pending appeals or motions; (v) there are significant factual issues to be resolved; and/or (vi) there are novel legal issues or unsettled legal theories to be presented or a large number of parties. For these cases, however, management does not believe, based on currently available information, that the outcomes of these proceedings will have a material adverse effect on our financial condition, though the outcomes could be material to our operating results for any particular period, depending, in part, upon the operating results for such period.

American Patents

On November 23, 2020, American Patents LLC, filed a complaint against us, our wholly-owned subsidiaries DISH Network L.L.C. and Dish Network Service L.L.C., and a third party, Arcadyan Technology Corporation, in the United States District Court for the Eastern District of Texas. The complaint alleges infringement of United States Patent No. 7,088,782 (the "782 patent"), entitled "Time and Frequency Synchronization In Multi-Input and Multi-Output (MIMO) Systems"; United States Patent No. 7,310,304 (the "304 patent"), entitled "Estimating Channel Parameters in Multi-Input, Multi-Output (MIMO) Systems"; United States Patent No. 7,706,458 (the "458 patent"), entitled "Time And Frequency Synchronization in Multi-Input, Multi-Output (MIMO) Systems"; and United States Patent No. 6,847,803 (the "803 patent"), entitled "Method for Reducing Interference in a Receiver." The four patents are asserted against wireless 802.11 standard-compliant devices. The matter was dismissed with prejudice on September 16, 2021. This matter is now concluded.

Broadband iTV

On December 19, 2019, Broadband iTV, Inc. filed a complaint against our wholly-owned subsidiary DISH Network L.L.C. in the United States District Court for the Western District of Texas. The complaint alleges infringement of United States Patent No. 10,028,026 (the "026 patent"), entitled "System for addressing on-demand TV program content on TV services platform of a digital TV services provider"; United States Patent No. 10,506,269 (the "269 patent"), entitled "System for addressing on-demand TV program content on TV services platform of a digital TV services provider"; United States Patent No. 9,998,791 ("the 791 patent"), entitled "Video-on-demand content delivery method for providing video-on-demand services to TV service subscribers"; and United States Patent No. 9,648,388 (the "388 patent"), entitled "Video-on-demand content delivery system for providing video-on-demand services to TV services subscribers." Generally, the asserted patents relate to providing video on demand content to subscribers.

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

On July 10, 2020, July 20, 2020, July 24, 2020 and July 31, 2020, DISH Network L.L.C. filed petitions with the United States Patent and Trademark Office challenging the validity of, respectively, the 026 patent, the 791 patent, the 269 patent and the 388 patent. On January 21, 2021, the United States Patent and Trademark Office agreed to institute proceedings on one of the petitions challenging the 026 patent; on January 27, 2021, it agreed to institute proceedings on one of the petitions challenging the 269 patent; on February 4, 2021, it agreed to institute proceedings on one of the petitions challenging the 791 patent; and on February 12, 2021, it agreed to institute proceedings on one of the petitions challenging the 388 patent. Pursuant to an agreement between the parties, on August 13, 2021, Broadband iTV dismissed its claims related to the 269 patent and DISH Network L.L.C. dismissed its petition challenging the validity of the 269 patent. The United States Patent and Trademark Office heard oral argument on the three remaining petitions on November 1, 2021.

On October 21, 2021, the United States Court of Appeals for the Federal Circuit granted DISH Network L.L.C.'s emergency appeal to have the case moved to the United States District Court for the District of Colorado. As a result, the trial scheduled for November 15, 2021 in the United States District Court for the Western District of Texas will not go forward. Broadband iTV's damages expert contends that Broadband iTV is entitled to $162 million in damages.

We intend to vigorously defend this case. In the event that a court ultimately determines that we infringe the asserted patents, we may be subject to substantial damages, which may include treble damages, and/or an injunction that could require us to materially modify certain features that we currently offer to consumers. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

Bunker IP

On January 27, 2021, Bunker IP LLC filed a complaint against our wholly-owned subsidiary, DISH Wireless L.L.C., in the United States District Court for the Northern District of Illinois. The complaint alleges infringement of U.S. Patent No. 7,181,237 (the "237 patent), entitled "Control of a Multi-Mode, Multi-Band Mobile Telephone via a Single Hardware and Software Man Machine Interface; and U.S. Patent No. 8,843,641 (the "641 patent"), entitled "Plug-In Connector System for Protected Establishment of a Network Connection." Generally, the 237 patent relates to a mobile phone that can switch between two different protocols within a single chipset, and the 641 patent relates to a plug-in connector to a device, where the connector's presence is authenticated to ensure protected access to network resources. On May 19, 2021, pursuant to Bunker IP's request, the Court dismissed the case without prejudice. This matter is now concluded.

Cedar Lane Technologies

On October 13, 2020, Cedar Lane Technologies Inc. ("Cedar Lane Technologies") filed a complaint against our wholly owned subsidiary, DISH Network L.L.C., in the United States District Court for the Western District of Texas. The complaint alleges infringement of United States Patent No. 6,502,194 (the "194 patent"), entitled "System for playback of network audio material on demand"; United States Patent No. 6,526,411 (the "411 patent"), entitled "System and method for creating dynamic playlists"; United States Patent No. 6,721,489 (the "489 patent"), entitled "Play list manager"; United States Patent No. 7,173,177 (the "177 patent"), entitled "User interface for simultaneous management of owned and unowned inventory"; United States Patent No. 7,642,443 (the "443 patent"), entitled "User interface for simultaneous management of owned and unowned inventory"; and United States Patent No. 8,165,867 (the "867 patent"), entitled "Methods for translating a device command." Generally, the asserted patents relate to streaming digital audio to a home audio system; aspects of play lists and purchased content; and voice control. Cedar Lane Technologies is a non-practicing entity that has filed more than 75 patent infringement lawsuits. On March 11, 2021, pursuant to a stipulation of the parties, the Court dismissed the case without prejudice. This matter is now concluded.

DISH NETWORK CORPORATION
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City of Hallandale Beach Police Officers' and Firefighters' Personnel Retirement Trust

On July 2, 2019, a putative class action lawsuit was filed by a purported EchoStar stockholder in the District Court of Clark County, Nevada under the caption *City of Hallandale Beach Police Officers' and Firefighters' Personnel Retirement Trust ("City of Hallandale") v. Ergen, et al.*, Case No. A-19-797799-B. The lawsuit named as defendants Mr. Ergen, the other members of the EchoStar Board, as well as EchoStar, certain of its officers, DISH Network and certain of DISH Network's and EchoStar's affiliates.

Plaintiff alleges, among other things, breach of fiduciary duties in approving the transactions contemplated under the Master Transaction Agreement for inadequate consideration and pursuant to an unfair and conflicted process, and that EchoStar, DISH Network and certain other defendants aided and abetted such breaches. In the operative First Amended Complaint, filed on October 11, 2019, the plaintiff dropped as defendants the EchoStar board members other than Mr. Ergen. The Court granted, in part, the plaintiff's motion for class certification on January 15, 2021. The trial of this matter is scheduled to start sometime during the five-week "stack" beginning September 7, 2021. See Note 14 for further information on the Master Transaction Agreement. Plaintiff seeks equitable relief, including the issuance of additional DISH Network Class A common stock, monetary relief and other costs and disbursements, including attorneys' fees.

The parties have entered into a global settlement agreement, subject to court approval. The parties' joint motion for preliminary approval has been approved and the final approval hearing has been scheduled for December 9, 2021.

If the settlement is not approved, we intend to vigorously defend this case, but cannot predict with any degree of certainty the outcome of this suit or determine the extent of any potential liability or damages.

ClearPlay, Inc.

On March 13, 2014, ClearPlay, Inc. ("ClearPlay") filed a complaint against us, our wholly-owned subsidiary DISH Network L.L.C., EchoStar, and its then wholly-owned subsidiary EchoStar Technologies L.L.C., in the United States District Court for the District of Utah. The complaint alleges willful infringement of United States Patent Nos. 6,898,799 (the "799 patent"), entitled "Multimedia Content Navigation and Playback"; 7,526,784 (the "784 patent"), entitled "Delivery of Navigation Data for Playback of Audio and Video Content"; 7,543,318 (the "318 patent"), entitled "Delivery of Navigation Data for Playback of Audio and Video Content"; 7,577,970 (the "970 patent"), entitled "Multimedia Content Navigation and Playback"; and 8,117,282 (the "282 patent"), entitled "Media Player Configured to Receive Playback Filters From Alternative Storage Mediums." ClearPlay alleges that the AutoHop™ feature of our Hopper set-top box infringes the asserted patents. On February 11, 2015, the case was stayed pending various third-party challenges before the United States Patent and Trademark Office regarding the validity of certain of the patents asserted in the action.

In those third-party challenges, the United States Patent and Trademark Office found that all claims of the 282 patent are unpatentable, and that certain claims of the 784 patent and 318 patent are unpatentable. ClearPlay appealed as to the 784 patent and the 318 patent, and on August 23, 2016, the United States Court of Appeals for the Federal Circuit affirmed the findings of the United States Patent and Trademark Office. On October 31, 2016, the stay was lifted.

On October 16, October 21, November 2, 2020 and November 9, 2020, DISH Network L.L.C. filed petitions with the United States Patent and Trademark Office requesting ex parte reexamination of the validity of the asserted claims of, respectively, the 784 patent, the 799 patent, the 318 patent and the 970 patent; and on November 2, November 20, December 14 and December 15, 2020, the United States Patent and Trademark Office granted each request for reexamination. On May 7, 2021, May 25, 2021, June 25, 2021 and July 7, 2021, the United States Patent and Trademark Office issued Ex Parte Reexamination Certificates confirming the patentability of the challenged claims of, respectively, the 799 patent, the 784 patent, the 318 patent and the 970 patent. ClearPlay's damages expert contends that ClearPlay is entitled to $543 million in damages.

We intend to vigorously defend this case. In the event that a court ultimately determines that we infringe the asserted patents, we may be subject to substantial damages, which may include treble damages, and/or an injunction that could require us to materially modify certain features that we currently offer to consumers. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

Contemporary Display LLC

On June 4, 2018, Contemporary Display LLC ("Contemporary") filed a complaint against us and DISH Network L.L.C. in the United States District Court for the Western District of Texas. The complaint alleges infringement of United States Patent No. 6,028,643 (the "643 patent"), entitled "Multiple-Screen Video Adapter with Television Tuner"; United States Patent No. 6,429,903 (the "903 patent"), entitled "Video Adapter for Supporting at Least One Television Monitor"; United States Patent No. 6,492,997 (the "997 patent"), entitled "Method and System for Providing Selectable Programming in a Multi-Screen Mode"; United States Patent No. 7,500,202 (the "202 patent"), entitled "Remote Control for Navigating Through Content in an Organized and Categorized Fashion"; and United States Patent No. 7,809,842 (the "842 patent"), entitled "Transferring Sessions Between Devices." The 643 patent and the 903 patent are directed to video adapters for use with multiple displays. The 997 patent is directed to a system for presenting multiple video programs on a display device simultaneously. The 202 patent is directed to a remote control for interacting with a set-top box having programmable features and "operational controls" on at least three sides of the remote control. The 842 patent is directed to a system for managing online communication sessions between multiple devices. Contemporary is an entity that seeks to license a patent portfolio without itself practicing any of the claims recited therein.

In a First Amended Complaint filed on August 6, 2018, Contemporary added our wholly-owned subsidiary DISH Network L.L.C. as a defendant. In a Second Amended Complaint filed on October 9, 2018, Contemporary named only our wholly-owned subsidiary DISH Network L.L.C. as a defendant and dropped certain indirect infringement allegations. On June 10, 2019, DISH Network L.L.C. filed petitions with the United States Patent and Trademark Office challenging the validity of the asserted claims of the 842 patent, the 903 patent, the 643 patent and the 997 patent. On December 13, 2019 and January 7, 2020, the United States Patent and Trademark Office agreed to institute proceedings on each of our petitions. Following Contemporary's decision not to file Patent Owner Responses to DISH Network L.L.C.'s petitions on the 842 patent and the 903 patent, on April 24, 2020, the United States Patent and Trademark Office entered judgments granting those petitions and canceling the challenged claims of those patents. On November 25, 2020 and December 18, 2020, respectively, the United States Patent and Trademark Office issued final written decisions invalidating all challenged claims of, respectively, the 643 patent and the 997 patent. On February 12, 2021, Contemporary Display noticed an appeal to the United States Court of Appeals for the Federal Circuit challenging the final written decision as to the 997 patent, and briefing is under way. On July 11, 2019, the Court entered an order staying the case pending resolution of the petitions. On January 31, 2020, pursuant to the parties' joint motion, the Court dismissed all claims arising from the 202 patent, and extended its stay of the litigation pending non-appealable determinations on all of the petitions before the United States Patent and Trademark Office.

DISH NETWORK CORPORATION
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We intend to vigorously defend this case. In the event that a court ultimately determines that we infringe the asserted patents, we may be subject to substantial damages, which may include treble damages, and/or an injunction that could require us to materially modify certain features that we currently offer to consumers. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

Customedia Technologies, L.L.C.

On February 10, 2016, Customedia Technologies, L.L.C. ("Customedia") filed a complaint against us and our wholly-owned subsidiary DISH Network L.L.C. in the United States District Court for the Eastern District of Texas. The complaint alleges infringement of four patents: United States Patent No. 8,719,090 (the "090 patent"); United States Patent No. 9,053,494 (the "494 patent"); United States Patent No. 7,840,437 (the "437 patent"); and United States Patent No. 8,955,029 (the "029 patent"). Each patent is entitled "System for Data Management And On-Demand Rental And Purchase Of Digital Data Products." Customedia alleges infringement in connection with our addressable advertising services, our DISH Anywhere feature, and our Pay-Per-View and video-on-demand offerings. Customedia is an entity that seeks to license a patent portfolio without itself practicing any of the claims recited therein.

In December 2016 and January 2017, DISH Network L.L.C. filed petitions with the United States Patent and Trademark Office challenging the validity of the asserted claims of each of the asserted patents. On June 12, 2017, the United States Patent and Trademark Office agreed to institute proceedings on our petitions challenging the 090 patent and the 437 patent; on July 18, 2017, it agreed to institute proceedings on our petitions challenging the 029 patent; and on July 28, 2017, it agreed to institute proceedings on our petitions challenging the 494 patent. These instituted proceedings cover all asserted claims of each of the asserted patents.

Pursuant to an agreement between the parties, on December 20, 2017, DISH Network L.L.C. dismissed its petitions challenging the 029 patent in the United States Patent and Trademark Office, and on January 9, 2018, the parties dismissed their claims, counterclaims and defenses as to that patent in the litigation. On March 5, 2018, the United States Patent and Trademark Office conducted a trial on the remaining petitions. On June 11, 2018, the United States Patent and Trademark Office issued final written decisions on DISH Network L.L.C.'s petitions challenging the 090 patent and it invalidated all of the asserted claims. On July 25, 2018, the United States Patent and Trademark Office issued final written decisions on DISH Network L.L.C.'s petitions challenging the 437 patent and the 494 patent and it invalidated all of the asserted claims. Customedia appealed its losses. The Court of Appeals for the Federal Circuit heard oral argument on November 6, 2019 on the appeal involving the 437 patent, and summarily affirmed the patent's invalidity on November 8, 2019. On January 7, 2020, Customedia petitioned the Court of Appeals for rehearing or rehearing en banc, raising issues about the constitutionality of the appointment of the administrative patent judges that heard the petition before the United States Patent and Trademark Office, but the Court of Appeals denied rehearing on March 5, 2020. On July 31, 2020, Customedia filed a petition with the United States Supreme Court asking it to hear a further appeal, but its petition was denied on October 13, 2020. On November 6, 2020, it filed a petition for rehearing on the United States Supreme Court's decision not to hear a further appeal, but on November 17, 2020, the Supreme Court rejected that petition.

The Court of Appeals heard oral argument on the appeal involving the 090 patent and the 494 patent on December 3, 2019, and affirmed those patents' invalidity on March 6, 2020. On May 5, 2020, Customedia filed petitions in the Federal Circuit for rehearing and rehearing en banc, but those petitions were denied on June 9, 2020. On November 6, 2020, Customedia served a petition to the United States Supreme Court asking it to hear a further appeal. On June 16, 2021, the United States Patent and Trademark Office issued a certificate cancelling the challenged claims of the 437 patent and, on July 9, 2021, it issued certificates cancelling the challenged claims of the 090 and 494 patents. The litigation in the District Court has been stayed since August 8, 2017 pending resolution of the proceedings at the United States Patent and Trademark Office.

We intend to vigorously defend this case. In the event that a court ultimately determines that we infringe the asserted patents, we may be subject to substantial damages, which may include treble damages, and/or an injunction that could require us to materially modify certain features that we currently offer to consumers. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

Gravel Rating Systems

On April 23, 2021, Gravel Rating Systems LLC ("Gravel Rating Systems") filed a complaint in the United States District Court for the Eastern District of Texas against our wholly-owned subsidiary DISH Wireless L.L.C. The complaint alleges infringement of U.S. Patent No. 7,590,636 (the "636 patent"), entitled "Knowledge Filter." The complaint accuses the Boost Mobile website of infringing the 636 patent in connection with the way in which it collects and stores user comments and ratings. Gravel Rating Systems has brought similar complaints against, among others, T-Mobile, Costco, Lowe's, Kohl's and Target.

We intend to vigorously defend this case. In the event that a court ultimately determines that we infringe the asserted patents, we may be subject to substantial damages, which may include treble damages, and/or an injunction that could require us to materially modify certain features that we currently offer to consumers. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

Innovative Foundry Technologies LLC

On December 20, 2019, Innovative Foundry Technologies LLC filed a complaint against us (as well as Semiconductor Manufacturing International Corporation; Broadcom Incorporated; Broadcom Corporation; and Cypress Semiconductor Corporation) in the United States District Court for the Western District of Texas. The complaint alleges infringement of United States Patent No. 6,580,122 (the "122 patent"), entitled "Transistor Device Having an Enhanced Width Dimension and a Method of Making Same"; United States Patent No. 6,806,126 (the "126 patent"), entitled "Method of Manufacturing a Semiconductor Component"; United States Patent No. 6,933,620 (the "620 patent"), entitled "Semiconductor Component and Method of Manufacture"; and United States Patent No. 7,009,226 (the "226 patent"), entitled "In-Situ Nitride/Oxynitride Processing with Reduced Deposition Surface Pattern Sensitivity." On April 9, 2020, Semiconductor Manufacturing International Corporation filed a petition with the United States Patent and Trademark Office challenging the validity of the asserted claims of the 226 patent, and on April 14, 2020, it filed petitions challenging the validity of the asserted claims of the 126 patent and 620 patent. On December 30, 2020, the Court entered an order severing and staying the claims against us and certain other defendants not involved in the manufacturing of the accused chips. On April 22, 2021, the parties filed a stipulation of dismissal with prejudice of all claims against us. This matter is now concluded.

Lecrew Licensing

On September 30, 2021, Lecrew Licensing LLC filed a complaint against us in the United States District Court for the District of Colorado. The complaint alleges infringement of U.S. Patent No. 9,516,370 (the "370 patent"), entitled "Method, Device, and System for Directing a Wireless Speaker from a Mobile Phone to Receive and Render a Playlist from a Content Server on the Internet."

We intend to vigorously defend this case. In the event that a court ultimately determines that we infringe the asserted patents, we may be subject to substantial damages, which may include treble damages, and/or an injunction that could require us to materially modify certain features that we currently offer to consumers. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

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Optic153

On January 29, 2021, Optic153 LLC ("Optic 153") filed a complaint in the United States District Court for the Western District of Texas against us and our wholly-owned subsidiaries DISH Network L.L.C. and Dish Network Service L.L.C. The complaint alleges infringement of U.S. Patent No. 6,115,174 (the "174 patent"), entitled "Optical Signal Varying Devices"; U.S. Patent No. 6,236,487 (the "487 patent"), entitled "Optical Communication Control System"; U.S. Patent No. 6,344,922 (the "922 patent"), entitled "Optical Signal Varying Devices"; U.S. Patent No. 6,356,383 (the "383 patent"), entitled "Optical Transmission Systems Including Optical Amplifiers Apparatuses and Methods"; U.S. Patent No. 6,587,261 (the "261 patent"), entitled "Optical Transmission Systems Including Optical Amplifiers Apparatuses and Methods of Use Therein"; and U.S. Patent No. 6,771,413 (the "413 patent"), entitled "Optical Transmission Systems Including Optical Amplifiers, Apparatuses and Methods." In general, the patents relate to various aspects of the provisioning of fiber optics communications. On April 26, 2021, Optic153 filed a request for dismissal of its claims against us, DISH Network L.L.C. and Dish Network Service L.L.C. This matter is now concluded.

Realtime Data LLC and Realtime Adaptive Streaming LLC

On June 6, 2017, Realtime Data LLC d/b/a IXO ("Realtime") filed an amended complaint in the United States District Court for the Eastern District of Texas (the "Original Texas Action") against us; our wholly-owned subsidiaries DISH Network L.L.C., DISH Technologies L.L.C. (then known as EchoStar Technologies L.L.C.), Sling TV L.L.C. and Sling Media L.L.C.; EchoStar, and EchoStar's wholly-owned subsidiary Hughes Network Systems, L.L.C. ("HNS"); and Arris Group, Inc. Realtime's initial complaint in the Original Texas Action, filed on February 14, 2017, had named only EchoStar and HNS as defendants.

The amended complaint in the Original Texas Action alleges infringement of United States Patent No. 8,717,204 (the "204 patent"), entitled "Methods for encoding and decoding data"; United States Patent No. 9,054,728 (the "728 patent"), entitled "Data compression systems and methods"; United States Patent No. 7,358,867 (the "867 patent"), entitled "Content independent data compression method and system"; United States Patent No. 8,502,707 (the "707 patent"), entitled "Data compression systems and methods"; United States Patent No. 8,275,897 (the "897 patent"), entitled "System and methods for accelerated data storage and retrieval"; United States Patent No. 8,867,610 (the "610 patent"), entitled "System and methods for video and audio data distribution"; United States Patent No. 8,934,535 (the "535 patent"), entitled "Systems and methods for video and audio data storage and distribution"; and United States Patent No. 8,553,759 (the "759 patent"), entitled "Bandwidth sensitive data compression and decompression." Realtime alleges that our, Sling TV L.L.C., Sling Media L.L.C. and Arris Group, Inc. streaming video products and services compliant with various versions of the H.264 video compression standard infringe the 897 patent, the 610 patent and the 535 patent, and that the data compression system in Hughes' products and services infringe the 204 patent, the 728 patent, the 867 patent, the 707 patent and the 759 patent.

On July 19, 2017, the Court severed Realtime's claims against us, DISH Network L.L.C., Sling TV L.L.C., Sling Media L.L.C. and Arris Group, Inc. (alleging infringement of the 897 patent, the 610 patent and the 535 patent) from the Original Texas Action into a separate action in the United States District Court for the Eastern District of Texas (the "Second Texas Action"). On August 31, 2017, Realtime dismissed the claims against us, Sling TV L.L.C., Sling Media Inc., and Sling Media L.L.C. from the Second Texas Action and refiled these claims (alleging infringement of the 897 patent, the 610 patent and the 535 patent) against Sling TV L.L.C., Sling Media Inc., and Sling Media L.L.C. in a new action in the United States District Court for the District of Colorado (the "Colorado Action"). Also on August 31, 2017, Realtime dismissed DISH Technologies L.L.C. from the Original Texas Action, and on September 12, 2017, added it as a defendant in an amended complaint in the Second Texas Action. On November 6, 2017, Realtime filed a joint motion to dismiss the Second Texas Action without prejudice, which the Court entered on November 8, 2017.

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On October 10, 2017, Realtime Adaptive Streaming LLC ("Realtime Adaptive Streaming") filed suit against our wholly-owned subsidiaries DISH Network L.L.C. and DISH Technologies L.L.C., as well as Arris Group, Inc., in a new action in the United States District Court for the Eastern District of Texas (the "Third Texas Action"), alleging infringement of the 610 patent and the 535 patent. Also on October 10, 2017, an amended complaint was filed in the Colorado Action, substituting Realtime Adaptive Streaming as the plaintiff instead of Realtime, and alleging infringement of only the 610 patent and the 535 patent, but not the 897 patent. On November 6, 2017, Realtime Adaptive Streaming filed a joint motion to dismiss the Third Texas Action without prejudice, which the court entered on November 8, 2017. Also on November 6, 2017, Realtime Adaptive Streaming filed a second amended complaint in the Colorado Action, adding our wholly-owned subsidiaries DISH Network L.L.C. and DISH Technologies L.L.C., as well as Arris Group, Inc., as defendants.

As a result, neither we nor any of our subsidiaries is a defendant in the Original Texas Action; the Court has dismissed without prejudice the Second Texas Action and the Third Texas Action; and our wholly-owned subsidiaries DISH Network L.L.C., DISH Technologies L.L.C., Sling TV L.L.C. and Sling Media L.L.C. as well as Arris Group, Inc., are defendants in the Colorado Action, which now has Realtime Adaptive Streaming as the named plaintiff.

On July 3, 2018, Sling TV L.L.C., Sling Media L.L.C., DISH Network L.L.C., and DISH Technologies L.L.C. filed petitions with the United States Patent and Trademark Office challenging the validity of each of the asserted patents. On January 31, 2019, the United States Patent and Trademark Office agreed to institute proceedings on our petitions challenging all asserted claims of each of the asserted patents, and it held trial on the petitions on December 5, 2019. On January 17, 2020, the United States Patent and Trademark Office terminated the petitions as time-barred, but issued a final written decision invalidating the 535 patent to third parties that had timely joined in our petition (and, on January 10, 2020, issued a final written decision invalidating the 535 patent in connection with a third party's independent petition). On March 16, 2020, Sling TV L.L.C., Sling Media L.L.C., DISH Network L.L.C., and DISH Technologies L.L.C. filed a notice of appeal from the terminated petitions to the United States Court of Appeals for the Federal Circuit. On June 29, 2020, the United States Patent and Trademark Office filed a notice of intervention in the appeal. On March 16, 2021, the Court of Appeals dismissed the appeal for lack of jurisdiction. On April 29, 2021, Sling TV L.L.C., Sling Media L.L.C., DISH Network L.L.C., and DISH Technologies L.L.C. filed a petition for rehearing, which was denied on June 28, 2021. On January 12, 2021, Realtime Adaptive Streaming filed a notice of dismissal of its claims on the 535 patent. On July 30, 2021, the District Court granted summary judgment in favor of DISH Network L.L.C., DISH Technologies L.L.C., Sling TV L.L.C. and Sling Media L.L.C., holding that the remaining asserted patent, the 610 patent, is invalid because it claims patent-ineligible abstract subject matter. Realtime Adaptive Streaming has filed a notice of appeal from that ruling. Independently, on September 21, 2021, in connection with an ex parte reexamination of the validity of the 610 patent, the United States Patent and Trademark Office issued a final office action rejecting each asserted claim of the 610 patent.

We intend to vigorously defend this case. In the event that a court ultimately determines that we infringe the asserted patents, we may be subject to substantial damages, which may include treble damages, and/or an injunction that could require us to materially modify certain features that we currently offer to consumers. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages. Realtime Adaptive Streaming is an entity that seeks to license an acquired patent portfolio without itself practicing any of the claims recited therein.

Scenic Licensing LLC

On October 27, 2021, Scenic Licensing LLC filed a complaint against our wholly-owned subsidiary Sling Media L.L.C. in the United States District Court for the District of Delaware. The complaint alleges that the Sling Studio product infringes U.S. Patent No. 8,677,420 (the "420 patent"), entitled "Personal monitoring and information apparatus."

We intend to vigorously defend this case. In the event that a court ultimately determines that we infringe the asserted patents, we may be subject to substantial damages, which may include treble damages, and/or an injunction that could require us to materially modify certain features that we currently offer to consumers. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

Sound View Innovations, LLC

On December 30, 2019, Sound View Innovations, LLC filed one complaint against our wholly-owned subsidiaries DISH Network L.L.C. and DISH Technologies L.L.C. and a second complaint against our wholly-owned subsidiary Sling TV L.L.C. in the United States District Court for the District of Colorado. The complaint against DISH Network L.L.C. and DISH Technologies L.L.C. alleges infringement of United States Patent No 6,502,133 (the "133 patent"), entitled "Real-Time Event Processing System with Analysis Engine Using Recovery Information" and both complaints allege infringement of United States Patent No. 6,708,213 (the "213 patent), entitled "Method for Streaming Multimedia Information Over Public Networks"; United States Patent No. 6,757,796 (the "796 patent"), entitled "Method and System for Caching Streaming Live Broadcasts transmitted Over a Network"; and United States Patent No. 6,725,456 (the "456 patent"), entitled "Methods and Apparatus for Ensuring Quality of Service in an Operating System." All but the 133 patent are also asserted in the complaint against Sling TV L.L.C.

On May 21, 2020, June 3, 2020, June 5, 2020 and July 10, 2020, DISH Network L.L.C., DISH Technologies L.L.C. and Sling TV L.L.C. filed petitions with the United States Patent and Trademark Office challenging the validity of, respectively, the 213 patent, the 133 patent, the 456 patent and the 796 patent. On November 25, 2020, the United States Patent and Trademark Office declined to review the validity of the 213 patent, and on December 18, 2020, DISH Network L.L.C., DISH Technologies L.L.C. and Sling TV L.L.C. filed a request for rehearing of that decision, which was denied on September 29, 2021. On January 19, 2021, the United States Patent and Trademark Office agreed to institute proceedings on the 456 patent but declined to review the 133 patent. On February 24, 2021, the United States Patent and Trademark Office agreed to institute proceedings on the 796 patent. On January 26, 2021, the District Court agreed to stay the case pending the outcome of the petitions to the United States Patent and Trademark Office.

We intend to vigorously defend these cases. In the event that a court ultimately determines that we infringe the asserted patents, we may be subject to substantial damages, which may include treble damages, and/or an injunction that could require us to materially modify certain features that we currently offer to consumers. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages. The plaintiff is an entity that seeks to license a patent portfolio without itself practicing any of the claims recited therein.

Telemarketing Shareholder Derivative Litigation

On October 19, 2017, Plumbers Local Union No. 519 Pension Trust Fund ("Plumbers Local 519"), a purported shareholder of the Company, filed a putative shareholder derivative action in the District Court for Clark County, Nevada alleging, among other things, breach of fiduciary duty claims against the following current and former members of the Company's Board of Directors: Charles W. Ergen; James DeFranco; Cantey M. Ergen; Steven R. Goodbarn; David K. Moskowitz; Tom A. Ortolf; Carl E. Vogel; George R. Brokaw; and Gary S. Howard (collectively, the "Director Defendants").

In its complaint, Plumbers Local 519 contends that, by virtue of their alleged failure to appropriately ensure the Company's compliance with telemarketing laws, the Director Defendants exposed the Company to liability for telemarketing violations, including those in the Krakauer Action. It also contends that the Director Defendants caused the Company to pay improper compensation and benefits to themselves and others who allegedly breached their fiduciary duties to the Company. Plumbers Local 519 alleges causes of action for breach of fiduciary duties of loyalty and good faith, gross mismanagement, abuse of control, corporate waste and unjust enrichment. Plumbers Local 519 is seeking an unspecified amount of damages.

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On November 13, 2017, City of Sterling Heights Police and Fire Retirement System ("Sterling Heights"), a purported shareholder of the Company, filed a putative shareholder derivative action in the District Court for Clark County, Nevada. Sterling Heights makes substantially the same allegations as Plumbers Union 519, and alleges causes of action against the Director Defendants for breach of fiduciary duty, waste of corporate assets and unjust enrichment. Sterling Heights is seeking an unspecified amount of damages. Pursuant to a stipulation of the parties, on January 4, 2018, the District Court agreed to consolidate the Sterling Heights action with the Plumbers Local 519 action, and on January 12, 2018, the derivative plaintiffs filed an amended consolidated complaint that largely duplicates the original Plumbers Local 519 complaint. Our Board of Directors has established a Special Litigation Committee to review the factual allegations and legal claims in this action. On May 15, 2018, the District Court granted the Special Litigation Committee's motion to stay the case pending its investigation. The Special Litigation Committee's report was filed on November 27, 2018, and recommended that the Company not pursue the claims asserted by the derivative plaintiffs. On December 20, 2018, the Special Litigation Committee filed a motion seeking deferral to its determination that the claims should be dismissed. Following a two-day evidentiary hearing on July 6-7, 2020, on July 17, 2020, the District Court entered an order granting the Special Litigation Committee's motion. On August 25, 2020, the derivative plaintiffs filed a notice of appeal to the Nevada Supreme Court, and that appeal has been fully briefed since June 25, 2021.

We cannot predict with any degree of certainty the outcome of these suits or determine the extent of any potential liability or damages.

TQ Delta, LLC

On July 17, 2015, TQ Delta, LLC ("TQ Delta") filed a complaint against us and our wholly-owned subsidiaries DISH DBS Corporation and DISH Network L.L.C. in the United States District Court for the District of Delaware. The Complaint alleges infringement of United States Patent No. 6,961,369 (the "369 patent"), which is entitled "System and Method for Scrambling the Phase of the Carriers in a Multicarrier Communications System"; United States Patent No. 8,718,158 (the "158 patent"), which is entitled "System and Method for Scrambling the Phase of the Carriers in a Multicarrier Communications System"; United States Patent No. 9,014,243 (the "243 patent"), which is entitled "System and Method for Scrambling Using a Bit Scrambler and a Phase Scrambler"; United States Patent No.7,835,430 (the "430 patent"), which is entitled "Multicarrier Modulation Messaging for Frequency Domain Received Idle Channel Noise Information"; United States Patent No. 8,238,412 (the "412 patent"), which is entitled "Multicarrier Modulation Messaging for Power Level per Subchannel Information"; United States Patent No. 8,432,956 (the "956 patent"), which is entitled "Multicarrier Modulation Messaging for Power Level per Subchannel Information"; and United States Patent No. 8,611,404 (the "404 patent"), which is entitled "Multicarrier Transmission System with Low Power Sleep Mode and Rapid-On Capability."

On September 9, 2015, TQ Delta filed a first amended complaint that added allegations of infringement of United States Patent No. 9,094,268 (the "268 patent"), which is entitled "Multicarrier Transmission System With Low Power Sleep Mode and Rapid-On Capability." On May 16, 2016, TQ Delta filed a second amended complaint that added EchoStar Corporation and its then wholly-owned subsidiary EchoStar Technologies L.L.C. as defendants. TQ Delta alleges that our satellite TV service, Internet service, set-top boxes, gateways, routers, modems, adapters and networks that operate in accordance with one or more Multimedia over Coax Alliance Standards infringe the asserted patents.

TQ Delta has filed actions in the same court alleging infringement of the same patents against Comcast Corp., Cox Communications, Inc., DirecTV, Time Warner Cable Inc. and Verizon Communications, Inc. TQ Delta is an entity that seeks to license an acquired patent portfolio without itself practicing any of the claims recited therein.

On July 14, 2016, TQ Delta stipulated to dismiss with prejudice all claims related to the 369 patent and the 956 patent. On July 20, 2016, we filed petitions with the United States Patent and Trademark Office challenging the validity of all of the patent claims of the 404 patent and the 268 patent that have been asserted against us. Third parties have filed petitions with the United States Patent and Trademark Office challenging the validity of all of the patent claims that have been asserted against us in the action. On November 4, 2016, the United States Patent and Trademark Office agreed to institute proceedings on the third-party petitions related to the 158 patent, the 243 patent, the 412 patent and the 430 patent.

On December 20, 2016, pursuant to a stipulation of the parties, the Court stayed the case until the resolution of all petitions to the United States Patent and Trademark Office challenging the validity of all of the patent claims at issue. On January 19, 2017, the United States Patent and Trademark Office granted our motions to join the instituted petitions on the 430 and 158 patents.

On February 9, 2017, the United States Patent and Trademark Office agreed to institute proceedings on our petition related to the 404 patent, and on February 13, 2017, the United States Patent and Trademark Office agreed to institute proceedings on our petition related to the 268 patent. On February 27, 2017, the United States Patent and Trademark Office granted our motions to join the instituted petitions on the 243 and 412 patents. On October 26, 2017, the United States Patent and Trademark Office issued final written decisions on the petitions challenging the 158 patent, the 243 patent, the 412 patent and the 430 patent, and it invalidated all of the asserted claims of those patents. On February 7, 2018, the United States Patent and Trademark Office issued final written decisions on the petitions challenging the 404 patent, and it invalidated all of the asserted claims of that patent on the basis of our petition. On February 10, 2018, the United States Patent and Trademark Office issued a final written decision on our petition challenging the 268 patent, and it invalidated all of the asserted claims.

On March 12, 2018, the United States Patent and Trademark Office issued a final written decision on a third-party petition challenging the 268 patent, and it invalidated all of the asserted claims. All asserted claims have now been invalidated by the United States Patent and Trademark Office. TQ Delta has filed notices of appeal from the final written decisions adverse to it. On May 9, 2019, the United States Court of Appeals for the Federal Circuit affirmed the invalidity of the 430 patent and the 412 patent. On July 10, 2019, the United States Court of Appeals for the Federal Circuit affirmed the invalidity of the asserted claims of the 404 patent. On July 15, 2019, the United States Court of Appeals for the Federal Circuit affirmed the invalidity of the asserted claims of the 268 patent. On November 22, 2019, the United States Court of Appeals for the Federal Circuit reversed the invalidity finding on the 243 patent and the 158 patent, and then, on March 29, 2020, denied a petition for panel rehearing as to those findings. On April 13, 2021, the Court lifted the stay. On April 23 and April 26, 2021, the United States Patent and Trademark Office issued orders granting requests for ex parte reexamination of, respectively, the 158 patent and the 243 patent.

We intend to vigorously defend this case. In the event that a court ultimately determines that we infringe the asserted patents, we may be subject to substantial damages, which may include treble damages, and/or an injunction that could require us to materially modify certain features that we currently offer to consumers. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

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Turner Network Sales

On October 6, 2017, Turner Network Sales, Inc. (“Turner”) filed a complaint against our wholly-owned subsidiary DISH Network L.L.C. in the United States District Court for the Southern District of New York. The operative First Amended Complaint alleges that DISH Network L.L.C. improperly calculated and withheld licensing fees owing to Turner in connection with its carriage of CNN and other networks. On December 14, 2017, DISH Network L.L.C. filed its operative first amended counterclaims against Turner. In the counterclaims, DISH Network L.L.C. seeks a declaratory judgment that it properly calculated the licensing fees owed to Turner for carriage of CNN, and also alleges claims for unrelated breaches of the parties’ affiliation agreement. On September 27, 2019, the Court granted, in part, Turner’s motion for summary judgment, holding, in part, that Turner was entitled to recover approximately $20 million in license fee payments that DISH Network L.L.C. had withheld after it discovered previous over-payments. On February 12, 2020, the parties filed a stipulation to dismiss certain of their respective claims. Trial on the remaining claims in this matter has been re-set for October 3, 2021. Turner’s damages expert contends that Turner is entitled to approximately $206 million in damages. On July 13, 2021, pursuant to a joint request of the parties, the Court dismissed the case with prejudice. This matter is now concluded.

Uniloc

On January 31, 2019, Uniloc 2017 LLC (“Uniloc”) filed a complaint against our wholly-owned subsidiary Sling TV L.L.C. in the United States District Court for the District of Colorado. The Complaint alleges infringement of United States Patent No. 6,519,005 (the “005 patent”), which is entitled “Method of Concurrent Multiple-Mode Motion Estimation for Digital Video”; United States Patent No. 6,895,118 (the “118 patent”), which is entitled “Method of Coding Digital Image Based on Error Concealment”; United States Patent No. 9,721,273 (the “273 patent”), which is entitled “System and Method for Aggregating and Providing Audio and Visual Presentations Via a Computer Network”); and United States Patent No. 8,407,609 (the “609 patent”), which is entitled “System and Method for Providing and Tracking the Provision of Audio and Visual Presentations Via a Computer Network.” Uniloc is an entity that seeks to license an acquired patent portfolio without itself practicing any of the claims recited therein.

On June 25, 2019, Sling TV L.L.C. filed a petition with the United States Patent and Trademark Office challenging the validity of all of the asserted claims of the 005 patent. On July 19, 2019 and July 22, 2019, respectively, Sling TV L.L.C. filed petitions with the United States Patent and Trademark Office challenging the validity of all asserted claims of the 273 patent and the 609 patent. On August 12, 2019, Sling TV L.L.C. filed a petition with the United States Patent and Trademark Office challenging the validity of all of the asserted claims of the 118 patent. On October 18, 2019, pursuant to a stipulation of the parties, the Court entered a stay of the trial proceedings. On January 9, 2020, the United States Patent and Trademark Office agreed to institute proceedings on the petition challenging the 005 patent. On January 15, 2020, the United States Patent and Trademark Office agreed to institute proceedings on the petition challenging the 273 patent. On February 4, 2020, the United States Patent and Trademark Office agreed to institute proceedings on the petition challenging the 609 patent. On February 25, 2020, the United States Patent and Trademark Office declined to institute proceedings on the petition challenging the 118 patent. On December 28, 2020, the United States Patent and Trademark Office issued a final written decision upholding the validity of the challenged claims of the 273 patent, Sling TV L.L.C. filed a notice of appeal from that decision to the United States Court of Appeals for the Federal Circuit, and oral argument on that appeal was heard on November 2, 2021. On January 5, 2021, the United States Patent and Trademark Office issued a final written decision invalidating all challenged claims of the 005 patent. On January 19, 2021, the United States Patent and Trademark Office issued a final written decision invalidating all challenged claims of the 609 patent (and a second final written decision invalidating all challenged claims of the 609 patent based on a third party’s petition).

We intend to vigorously defend this case. In the event that a court ultimately determines that we infringe the asserted patents, we may be subject to substantial damages, which may include treble damages, and/or an injunction that could require us to materially modify certain features that we currently offer to consumers. We cannot predict with any degree of certainty the outcome of the suit or determine the extent of any potential liability or damages.

Vermont National Telephone Company

On September 23, 2016, the United States District Court for the District of Columbia unsealed a qui tam complaint that was filed by Vermont National against us; our wholly-owned subsidiaries, American AWS-3 Wireless I L.L.C., American II, American III, and DISH Wireless Holding L.L.C.; Charles W. Ergen (our Chairman) and Cantey M. Ergen (a member of our board of directors); Northstar Wireless; Northstar Spectrum; Northstar Manager; SNR Wireless; SNR HoldCo; SNR Management; and certain other parties. The complaint was unsealed after the United States Department of Justice notified the Court that it had declined to intervene in the action. The complaint is a civil action that was filed under seal on May 13, 2015 by Vermont National, which participated in the AWS-3 Auction through its wholly-owned subsidiary, VTel Wireless. The complaint alleges violations of the federal civil False Claims Act (the "FCA") based on, among other things, allegations that Northstar Wireless and SNR Wireless falsely claimed bidding credits of 25% in the AWS-3 Auction when they were allegedly under the de facto control of DISH Network and, therefore, were not entitled to the bidding credits as designated entities under applicable FCC rules. Vermont National seeks to recover on behalf of the United States government approximately $10 billion, which reflects the $3.3 billion in bidding credits that Northstar Wireless and SNR Wireless claimed in the AWS-3 Auction, trebled under the FCA. Vermont National also seeks civil penalties of not less than $5,500 and not more than $11,000 for each violation of the FCA. On March 2, 2017, the United States District Court for the District of Columbia entered a stay of the litigation until such time as the United States Court of Appeals for the District of Columbia (the "D.C. Circuit") issued its opinion in *SNR Wireless LicenseCo, LLC, et al. v. F.C.C.* The D.C. Circuit issued its opinion on August 29, 2017 and remanded the matter to the FCC for further proceedings. See *"Commitments – DISH Network Non-Controlling Investments in the Northstar Entities and the SNR Entities Related to AWS-3 Wireless Spectrum Licenses"* above for further information.

Thereafter, the Court maintained the stay until October 26, 2018. On February 11, 2019, the Court granted Vermont National's unopposed motion for leave to file an amended complaint. On March 28, 2019, the defendants filed a motion to dismiss Vermont National's amended complaint, and on March 23, 2021, the Court granted the motion to dismiss. On April 21, 2021, Vermont National filed a notice of appeal.

We intend to vigorously defend this case. We cannot predict with any degree of certainty the outcome of this proceeding or determine the extent of any potential liability or damages.

Waste Disposal Inquiry

The California Attorney General and the Alameda County (California) District Attorney are investigating whether certain of our waste disposal policies, procedures and practices are in violation of the California Business and Professions Code and the California Health and Safety Code. We expect that these entities will seek injunctive and monetary relief. The investigation appears to be part of a broader effort to investigate waste handling and disposal processes of a number of industries. While we are unable to predict the outcome of this investigation, we do not believe that the outcome will have a material effect on our results of operations, financial condition or cash flows.

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Other

In addition to the above actions, we are subject to various other legal proceedings and claims that arise in the ordinary course of business, including, among other things, disputes with programmers regarding fees. In our opinion, the amount of ultimate liability with respect to any of these actions is unlikely to materially affect our financial condition, results of operations or liquidity, though the outcomes could be material to our operating results for any particular period, depending, in part, upon the operating results for such period.

12. Segment Reporting

Operating segments are components of an enterprise for which separate financial information is available and regularly evaluated by the chief operating decision maker(s) of an enterprise. Operating income is the primary measure used by our chief operating decision maker to evaluate segment operating performance. We currently operate two primary business segments: (1) Pay-TV; and (2) Wireless. See Note 1 for further information.

All other and eliminations primarily include intersegment eliminations related to intercompany debt and the related interest income and interest expense, which are eliminated in consolidation.

The total assets, revenue and operating income by segment were as follows:

	As of	
	September 30, 2021	December 31, 2020
	(In thousands)	
Total assets:		
Pay-TV	$ 37,751,825	$ 36,251,281
Wireless	31,902,998	29,921,237
Eliminations	(28,440,586)	(27,932,571)
Total assets	$ 41,214,237	$ 38,239,947

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2021	2020	2021	2020
	(In thousands)			
Revenue:				
Pay-TV	$ 3,220,128	$ 3,190,664	$ 9,676,487	$ 9,595,131
Wireless	1,230,072	1,341,512	3,761,834	1,343,893
Eliminations	(565)	(585)	(3,873)	(2,954)
Total revenue	$ 4,449,635	$ 4,531,591	$ 13,434,448	$ 10,936,070
Operating income (loss):				
Pay-TV	$ 699,730	$ 803,817	$ 2,299,387	$ 2,040,970
Wireless (1)	17,975	7,431	189,632	(447,994)
Total operating income (loss)	$ 717,705	$ 811,248	$ 2,489,019	$ 1,592,976

(1) The nine months ended September 30, 2020 was negatively impacted by an "Impairment of long-lived assets" of $356 million. See Note 2 for further information.

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Geographic Information. Revenue is attributed to geographic regions based upon the location where the goods and services are provided. All service revenue was derived from the United States. Substantially all of our long-lived assets reside in the United States.

The following table summarizes revenue by geographic region:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
Revenue:	**2021**	**2020**	**2021**	**2020**
	(In thousands)			
United States	$ 4,432,751	$ 4,516,475	$ 13,390,248	$ 10,899,922
Canada and Mexico	16,884	15,116	44,200	36,148
Total revenue	$ 4,449,635	$ 4,531,591	$ 13,434,448	$ 10,936,070

The revenue from external customers disaggregated by major revenue source was as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
Category:	**2021**	**2020**	**2021**	**2020**
	(In thousands)			
Pay-TV subscriber and related revenue	$ 3,175,193	$ 3,139,575	$ 9,541,602	$ 9,455,429
Wireless services and related revenue	1,038,042	1,082,570	3,136,016	1,082,570
Pay-TV equipment sales and other revenue	44,935	51,089	134,885	139,702
Wireless equipment sales and other revenue	192,030	258,942	625,818	261,323
Eliminations	(565)	(585)	(3,873)	(2,954)
Total	$ 4,449,635	$ 4,531,591	$ 13,434,448	$ 10,936,070

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13. Contract Balances

Our valuation and qualifying accounts as of September 30, 2021 were as follows:

Allowance for credit losses	Balance at Beginning of Period	Current Period Provision for Expected Credit Losses	Write-offs Charged Against Allowance	Balance at End of Period
	(In thousands)			
For the nine months ended September 30, 2021	$ 72,278	$ 37,222	$ (61,519)	$ 47,981

Contract liabilities arise when we bill our customers and receive consideration in advance of providing the service. Contract liabilities are recognized as revenue when the service has been provided to the customer. Contract liabilities are recorded in “Deferred revenue and other” and “Long-term deferred revenue and other long-term liabilities” on our Condensed Consolidated Balance Sheets.

	As of	
	September 30, 2021	December 31, 2020
	(In thousands)	
Contract liabilities	$ 720,889	$ 778,832

Our beginning of period contract liability recorded as customer contract revenue during 2021 was $773 million.

We apply a practical expedient and do not disclose the value of the remaining performance obligations for contracts that are less than one year in duration, which represent a substantial majority of our revenue. As such, the amount of revenue related to unsatisfied performance obligations is not necessarily indicative of our future revenue.

14. Related Party Transactions

Related Party Transactions with EchoStar

Following the Spin-off, we and EchoStar have operated as separate publicly-traded companies and neither entity has any ownership interest in the other. However, a substantial majority of the voting power of the shares of both companies is owned beneficially by Charles W. Ergen, our Chairman, and by certain entities established by Mr. Ergen for the benefit of his family.

In connection with and following the Spin-off, we and EchoStar have entered into certain agreements pursuant to which we obtain certain products, services and rights from EchoStar, EchoStar obtains certain products, services and rights from us, and we and EchoStar have indemnified each other against certain liabilities arising from our respective businesses. Pursuant to the Share Exchange Agreement, among other things, EchoStar transferred to us certain assets and liabilities of the EchoStar technologies and EchoStar broadcasting businesses. Pursuant to the Master Transaction Agreement, among other things, EchoStar transferred to us certain assets and liabilities of its EchoStar Satellite Services segment.

In connection with the Share Exchange and the Master Transaction Agreement, we and EchoStar and certain of their subsidiaries entered into certain agreements covering, among other things, tax matters, employee matters, intellectual property matters and the provision of transitional services. In addition, certain agreements that we had with EchoStar have terminated, and we entered into certain new agreements with EchoStar. We also may enter into additional agreements with EchoStar in the future. The following is a summary of the terms of our principal agreements with EchoStar that may have an impact on our financial condition and results of operations.

"Trade accounts receivable"

As of September 30, 2021 and December 31, 2020, trade accounts receivable from EchoStar was $3 million and $1 million, respectively. These amounts are recorded in "Trade accounts receivable" on our Condensed Consolidated Balance Sheets.

"Trade accounts payable"

As of September 30, 2021 and December 31, 2020, trade accounts payable to EchoStar was $10 million and $6 million, respectively. These amounts are recorded in "Trade accounts payable" on our Condensed Consolidated Balance Sheets.

"Equipment sales and other revenue"

During the three months ended September 30, 2021 and 2020, we received $1 million and $2 million, respectively, for services provided to EchoStar. During the nine months ended September 30, 2021 and 2020, we received $4 million and $6 million, respectively, for services provided to EchoStar. These amounts are recorded in "Equipment sales and other revenue" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). The agreements pertaining to these revenues are discussed below.

Real Estate Lease Agreements. We have entered into lease agreements pursuant to which we lease certain real estate to EchoStar. The rent on a per square foot basis for each of the leases is comparable to per square foot rental rates of similar commercial property in the same geographic areas, and EchoStar is responsible for its portion of the taxes, insurance, utilities and maintenance of the premises. The term of each lease is set forth below:

- *El Paso Lease Agreement.* During 2012, we began leasing certain space at 1285 Joe Battle Blvd., El Paso, Texas to EchoStar for an initial period ending on August 1, 2015, which also provides EchoStar with renewal options for four consecutive three-year terms. During the second quarter of 2015, EchoStar exercised its first renewal option for a period ending on August 1, 2018 and in April 2018 EchoStar exercised its second renewal option for a period ending in July 2021 and in May 2021 EchoStar exercised its third renewal option for a period ending in July 2024.

- *90 Inverness Lease Agreement*. In connection with the completion of the Share Exchange, effective March 1, 2017, EchoStar leases certain space from us at 90 Inverness Circle East, Englewood, Colorado for a period ending in February 2022. EchoStar has the option to renew this lease for four three-year periods.

- *Cheyenne Lease Agreement*. In connection with the completion of the Share Exchange, effective March 1, 2017, EchoStar began leasing certain space from us at 530 EchoStar Drive, Cheyenne, Wyoming for a period ending in February 2019. In August 2018, EchoStar exercised its option to renew this lease for a one-year period ending in February 2020. EchoStar has the option to renew this lease for 12 one-year periods. In connection with the Master Transaction Agreement, we and EchoStar amended this lease to provide EchoStar with certain space for a period ending in September 2021, with the option for EchoStar to renew for a one-year period upon 180 days' written notice prior to the end of the term. In March 2021, EchoStar exercised its option to renew this lease for a one-year period ending September 2022 and amended the lease to provide the option for EchoStar to renew this lease for up to three additional years.

Collocation and Antenna Space Agreements. In connection with the completion of the Share Exchange, effective March 1, 2017, we entered into certain agreements pursuant to which we provide certain collocation and antenna space to HNS through February 2022 at the following locations: Cheyenne, Wyoming; Gilbert, Arizona; New Braunfels, Texas; Monee, Illinois; Englewood, Colorado; and Spokane, Washington. During August 2017, we entered into certain other agreements pursuant to which we provide certain collocation and antenna space to HNS through August 2022 at the following locations: Monee, Illinois and Spokane, Washington. HNS has the option to renew each of these agreements for four three-year periods. HNS may terminate certain of these agreements with 180 days' prior written notice to us at the following locations: New Braunfels, Texas; Englewood, Colorado; and Spokane, Washington.

In September 2019, in connection with the Master Transaction Agreement, we entered into an agreement pursuant to which we provide HNS with certain additional collocation space in Cheyenne, Wyoming, which expired in September 2020. In October 2019, HNS provided a termination notice for its New Braunfels, Texas agreement, effective as of May 2020. The fees for the services provided under these agreements depend, among other things, on the number of racks leased and/or antennas present at the location.

Also in connection with the Master Transaction Agreement, in September 2019, we entered into an agreement pursuant to which we provide HNS with antenna space and power in Cheyenne, Wyoming for a period of five years commencing no later than October 2020, with four three-year renewal terms, with prior written notice no more than 120 days but no less than 90 days prior to the end of the then-current term.

TT&C Agreement – Master Transaction Agreement. In September 2019, in connection with the Master Transaction Agreement, we entered into an agreement pursuant to which we provide TT&C services to EchoStar for a period ending in September 2021, with the option for EchoStar to renew for a one-year period upon written notice at least 90 days prior to the initial expiration (the "MTA TT&C Agreement"). The fees for services provided under the MTA TT&C Agreement are calculated at either: (i) a fixed fee or (ii) cost plus a fixed margin, which will vary depending on the nature of the services provided. Either party is able to terminate the MTA TT&C Agreement for any reason upon 12 months' notice. In June 2021, we amended the MTA TT&C Agreement to extend the term until September 2022 and added the option for EchoStar to renew for an additional three years.

"Cost of services"

During the three months ended September 30, 2021 and 2020, we incurred $3 million and $5 million, respectively, of costs for services provided to us by EchoStar. During the nine months ended September 30, 2021 and 2020, we incurred $11 million and $15 million, respectively, of costs for services provided to us by EchoStar. These amounts are recorded in "Cost of services" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). The agreements pertaining to these expenses are discussed below.

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

Hughes Broadband Distribution Agreement. Effective October 1, 2012, dishNET Satellite Broadband L.L.C. ("dishNET Satellite Broadband"), our indirect wholly-owned subsidiary, and HNS entered into a Distribution Agreement (the "Distribution Agreement") pursuant to which dishNET Satellite Broadband has the right, but not the obligation, to market, sell and distribute the HNS satellite Internet service (the "Service"). dishNET Satellite Broadband pays HNS a monthly per subscriber wholesale service fee for the Service based upon the subscriber's service level, and, beginning January 1, 2014, certain volume subscription thresholds. The Distribution Agreement also provides that dishNET Satellite Broadband has the right, but not the obligation, to purchase certain broadband equipment from HNS to support the sale of the Service. On February 20, 2014, dishNET Satellite Broadband and HNS amended the Distribution Agreement which, among other things, extended the initial term of the Distribution Agreement through March 1, 2024.

Thereafter, the Distribution Agreement automatically renews for successive one year terms unless either party gives written notice of its intent not to renew to the other party at least 180 days before the expiration of the then-current term. Upon expiration or termination of the Distribution Agreement, the parties will continue to provide the Service to the then-current dishNET subscribers pursuant to the terms and conditions of the Distribution Agreement.

EchoStar IX. We lease certain satellite capacity from EchoStar on EchoStar IX. Subject to availability, we generally have the right to continue to lease satellite capacity from EchoStar on EchoStar IX on a month-to-month basis.

Nimiq 5 Agreement. During 2009, EchoStar entered into a fifteen-year satellite service agreement with Telesat Canada ("Telesat") to receive service on all 32 DBS transponders on the Nimiq 5 satellite at the 72.7 degree orbital location (the "Telesat Transponder Agreement"). The Telesat Transponder Agreement was transferred to us on September 10, 2019 pursuant to the Master Transaction Agreement. Also, in September 2019, we and EchoStar entered into an agreement whereby we compensate EchoStar for retaining certain obligations to Telesat related to our performance under the Telesat Transponder Agreement.

"Cost of sales – equipment and other"

During each of the three months ended September 30, 2021 and 2020, we incurred $1 million for satellite hosting, operations and maintenance services as well as transmission of certain data. During the nine months ended September 30, 2021 and 2020, we incurred $4 million and $3 million, respectively, for satellite hosting, operations and maintenance services as well as transmission of certain data. These amounts are recorded in "Cost of sales – equipment and other" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). The agreements pertaining to these expenses are discussed below.

DBSD North America Agreement. On March 9, 2012, we completed the DBSD Transaction. During the second quarter of 2011, EchoStar acquired Hughes. Prior to our acquisition of DBSD North America and EchoStar's acquisition of Hughes, DBSD North America and HNS entered into an agreement pursuant to which HNS provides, among other things, hosting, operations and maintenance services for DBSD North America's satellite gateway and associated ground infrastructure. This agreement generally may be terminated by us at any time for convenience.

TerreStar Agreement. On March 9, 2012, we completed the TerreStar Transaction. Prior to our acquisition of substantially all the assets of TerreStar and EchoStar's acquisition of Hughes, TerreStar and HNS entered into various agreements pursuant to which HNS provides, among other things, hosting, operations and maintenance services for TerreStar's satellite gateway and associated ground infrastructure. These agreements generally may be terminated by us at any time for convenience.

Hughes Equipment and Services Agreement. In February 2019, we and HNS entered into an agreement pursuant to which HNS will provide us with HughesNet Service and HughesNet equipment for the transmission of certain data related to our 5G Network Deployment. This agreement has an initial term of five years with automatic renewal for successive one-year terms unless terminated by DISH Network with at least 180 days' written notice to HNS or by HNS with at least 365 days' written notice to DISH Network.

"Selling, general and administrative expenses"

During the three months ended September 30, 2021 and 2020, we incurred $4 million and $3 million, respectively, for selling, general and administrative expenses for services provided to us by EchoStar. During the nine months ended September 30, 2021 and 2020, we incurred $16 million and $10 million, respectively, for selling, general and administrative expenses for services provided to us by EchoStar. These amounts are recorded in "Selling, general and administrative expenses" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). The agreements pertaining to these expenses are discussed below.

Real Estate Lease Agreements. We have entered into lease agreements pursuant to which we lease certain real estate from EchoStar. The rent on a per square foot basis for each of the leases is comparable to per square foot rental rates of similar commercial property in the same geographic area, and we are responsible for our portion of the taxes, insurance, utilities and maintenance of the premises. The term of each lease is set forth below:

- *Meridian Lease Agreement.* The lease for all of 9601 S. Meridian Blvd. in Englewood, Colorado was for a period ending on December 31, 2019. In December 2020, we and EchoStar amended this lease to, among other things, extend the term thereof for one additional year until December 31, 2021.

- *100 Inverness Lease Agreement*. In connection with the completion of the Share Exchange, effective March 1, 2017, we lease certain space from EchoStar at 100 Inverness Terrace East, Englewood, Colorado for a period ending in December 2021. This agreement may be terminated by either party upon 180 days' prior notice.

Professional Services Agreement. Prior to 2010, in connection with the Spin-off, we entered into various agreements with EchoStar including the Transition Services Agreement, Satellite Procurement Agreement and Services Agreement, which all expired on January 1, 2010 and were replaced by a Professional Services Agreement. During 2009, we and EchoStar agreed that EchoStar shall continue to have the right, but not the obligation, to receive the following services from us, among others, certain of which were previously provided under the Transition Services Agreement: information technology, travel and event coordination, internal audit, legal, accounting and tax, benefits administration, program acquisition services and other support services. Additionally, we and EchoStar agreed that we shall continue to have the right, but not the obligation, to engage EchoStar to manage the process of procuring new satellite capacity for us (previously provided under the Satellite Procurement Agreement) and receive logistics, procurement and quality assurance services from EchoStar (previously provided under the Services Agreement) and other support services. In connection with the completion of the Share Exchange on February 28, 2017, DISH Network and EchoStar amended the Professional Services Agreement to, among other things, provide certain transition services to each other related to the Share Exchange Agreement. In addition, pursuant to the Master Transaction Agreement, we and EchoStar amended the Professional Services Agreement effective September 10, 2019 to, among other things, provide certain transition services to each other related to the Master Transaction Agreement and to remove certain services no longer necessary as a result of the Master Transaction Agreement. See above for further information on the Master Transaction Agreement. During March 2020, we and EchoStar added a service under the Professional Services Agreement whereby we provide EchoStar with rights to use certain satellite capacity in exchange for certain credits to amounts owed by us to EchoStar under the TerreStar Agreement described above. The Professional Services Agreement renewed on January 1, 2021 for an additional one-year period until January 1, 2022 and renews automatically for successive one-year periods thereafter, unless terminated earlier by either party upon at least 60 days' notice. However, either party may terminate the Professional Services Agreement in part with respect to any particular service it receives for any reason upon at least 30 days' notice.

Revenue for services provided by us to EchoStar under the Professional Services Agreement is recorded in "Equipment sales and other revenue" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
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City of Hallandale. During the second quarter of 2021, we and the other named defendants entered into a global settlement agreement with the City of Hallandale. Under this settlement agreement, we expect to contribute an immaterial amount to the settlement. The settlement is subject to court approval. The parties' joint motion for preliminary approval has been approved and the final approval hearing has been scheduled for December 6, 2021. See Note 11 for further information.

Other Agreements - EchoStar

Tax Sharing Agreement. In connection with the Spin-off, we entered into a tax sharing agreement (the "Tax Sharing Agreement") with EchoStar which governs our respective rights, responsibilities and obligations after the Spin-off with respect to taxes for the periods ending on or before the Spin-off. Generally, all pre-Spin-off taxes, including any taxes that are incurred as a result of restructuring activities undertaken to implement the Spin-off, are borne by us, and we will indemnify EchoStar for such taxes. However, we are not liable for and will not indemnify EchoStar for any taxes that are incurred as a result of the Spin-off or certain related transactions failing to qualify as tax-free distributions pursuant to any provision of Section 355 or Section 361 of the Internal Revenue Code of 1986, as amended (the "Code") because of: (i) a direct or indirect acquisition of any of EchoStar's stock, stock options or assets; (ii) any action that EchoStar takes or fails to take; or (iii) any action that EchoStar takes that is inconsistent with the information and representations furnished to the Internal Revenue Service ("IRS") in connection with the request for the private letter ruling, or to counsel in connection with any opinion being delivered by counsel with respect to the Spin-off or certain related transactions. In such case, EchoStar is solely liable for, and will indemnify us for, any resulting taxes, as well as any losses, claims and expenses. The Tax Sharing Agreement will only terminate after the later of the full period of all applicable statutes of limitations, including extensions, or once all rights and obligations are fully effectuated or performed.

In light of the Tax Sharing Agreement, among other things, and in connection with our consolidated federal income tax returns for certain tax years prior to and for the year of the Spin-off, during the third quarter of 2013, we and EchoStar agreed upon a supplemental allocation of the tax benefits arising from certain tax items resolved in the course of the IRS' examination of these consolidated tax returns. As a result, we agreed to pay EchoStar $80 million of the tax benefit we received or will receive. This resulted in a reduction of our recorded unrecognized tax benefits and this amount was reclassified to a long-term payable to EchoStar within "Long-term deferred revenue and other long-term liabilities" on our Condensed Consolidated Balance Sheets during the third quarter of 2013. Any payment to EchoStar, including accrued interest, will be made at such time as EchoStar would have otherwise been able to realize such tax benefit.

In addition, during the third quarter of 2013, we and EchoStar agreed upon a tax sharing arrangement for filing certain combined state income tax returns and a method of allocating the respective tax liabilities between us and EchoStar for such combined returns, through the taxable period ending on December 31, 2017 (the "State Tax Arrangement"). During the third quarter of 2018, we and EchoStar amended the Tax Sharing Agreement and the 2013 agreements (the "Amendment").

Under the Amendment, among other things, we are entitled to apply the benefit of EchoStar's 2009 net operating losses to our federal tax return for the year ended December 31, 2008, in exchange for paying EchoStar over time the value of the net annual federal income taxes paid by EchoStar that would have been otherwise offset by their 2009 net operating loss. In addition, the Amendment extends the term of the State Tax Arrangement for filing certain combined state income tax returns to the earlier to occur of (1) termination of the Tax Sharing Agreement, (2) a change in control of either us or EchoStar or, (3) for any particular state, if we and EchoStar no longer file a combined tax return for such state. Beginning in 2020, DISH Network and EchoStar no longer file combined tax returns in any states.

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

Tax Matters Agreement – Share Exchange. In connection with the completion of the Share Exchange, we and EchoStar entered into a Tax Matters Agreement, which governs certain rights, responsibilities and obligations with respect to taxes of the Transferred Businesses pursuant to the Share Exchange. Generally, EchoStar is responsible for all tax returns and tax liabilities for the Transferred Businesses for periods prior to the Share Exchange, and we are responsible for all tax returns and tax liabilities for the Transferred Businesses from and after the Share Exchange. Both we and EchoStar have made certain tax-related representations and are subject to various tax-related covenants after the consummation of the Share Exchange. Both we and EchoStar have agreed to indemnify each other if there is a breach of any such tax representation or violation of any such tax covenant and that breach or violation results in the Share Exchange not qualifying for tax free treatment for the other party. In addition, we have agreed to indemnify EchoStar if the Transferred Businesses are acquired, either directly or indirectly (e.g., via an acquisition of us), by one or more persons and such acquisition results in the Share Exchange not qualifying for tax free treatment. The Tax Matters Agreement supplements the Tax Sharing Agreement described above, which continues in full force and effect.

Tax Matters Agreement – Master Transaction Agreement. In connection with the completion of the Master Transaction Agreement, we and EchoStar entered into a Tax Matters Agreement, which governs certain rights, responsibilities and obligations with respect to taxes of the BSS Business pursuant to the Master Transaction Agreement. Generally, EchoStar is responsible for all tax returns and tax liabilities for the BSS Business for periods prior to the Master Transaction Agreement, and we are responsible for all tax returns and tax liabilities for the BSS Business from and after the Master Transaction Agreement. Both we and EchoStar have made certain tax-related representations in contemplation of the Master Transaction Agreement. Both we and EchoStar have agreed to indemnify each other if there is a breach of any such tax representation and that breach results in the Master Transaction Agreement not qualifying for tax free treatment for the other party. In addition, we have agreed to indemnify EchoStar if the BSS Business is acquired, either directly or indirectly (e.g., via an acquisition of us), by one or more persons and such acquisition results in the Master Transaction Agreement not qualifying for tax free treatment. The Tax Matters Agreement - Master Transaction Agreement supplements the Tax Sharing Agreement described above, which continues in full force and effect.

Patent Cross-License Agreements. In December 2011, we and EchoStar entered into separate patent cross-license agreements with the same third party whereby: (i) EchoStar and such third-party licensed their respective patents to each other subject to certain conditions; and (ii) we and such third-party licensed our respective patents to each other subject to certain conditions (each, a "Cross-License Agreement"). Each Cross License Agreement covers patents acquired by the respective party prior to January 1, 2017 and aggregate payments under both Cross-License Agreements total less than $10 million. In December 2016, we and EchoStar independently exercised our respective options to extend each Cross-License Agreement to include patents acquired by the respective party prior to January 1, 2022.

Rovi License Agreement. On August 19, 2016, we entered into a ten-year patent license agreement (the "Rovi License Agreement") with Rovi Corporation ("Rovi") and, for certain limited purposes, EchoStar. EchoStar is a party to the Rovi License Agreement solely with respect to certain provisions relating to the prior patent license agreement between EchoStar and Rovi. There are no payments between us and EchoStar under the Rovi License Agreement.

Hughes Broadband Master Services Agreement. In March 2017, DISH Network L.L.C. ("DNLLC") and HNS entered into the MSA pursuant to which DNLLC, among other things: (i) has the right, but not the obligation, to market, promote and solicit orders for the Hughes broadband satellite service and related equipment; and (ii) installs Hughes service equipment with respect to activations generated by DNLLC. Under the MSA, HNS will make certain payments to DNLLC for each Hughes service activation generated, and installation performed, by DNLLC. Payments from HNS for services provided are recorded in "Service revenue" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). For the three months ended September 30, 2021 and 2020, these payments were $2 million and $4 million, respectively. For the nine months ended September 30, 2021 and 2020, these payments were $6 million and $13 million, respectively. The MSA has an initial term of five years with automatic renewal for successive one-year terms.

After the first anniversary of the MSA, either party has the ability to terminate the MSA, in whole or in part, for any reason upon at least 90 days' notice to the other party. Upon expiration or termination of the MSA, HNS will continue to provide the Hughes service to subscribers and make certain payments to DNLLC pursuant to the terms and conditions of the MSA. For the three months ended September 30, 2021 and 2020, we purchased broadband equipment from HNS of $1 million and $4 million, respectively, under the MSA. For the nine months ended September 30, 2021 and 2020, we purchased broadband equipment from HNS of $4 million and $11 million, respectively, under the MSA.

Employee Matters Agreement – Share Exchange. In connection with the completion of the Share Exchange, effective March 1, 2017, we and EchoStar entered into an Employee Matters Agreement that addresses the transfer of employees from EchoStar to us, including certain benefit and compensation matters and the allocation of responsibility for employee-related liabilities relating to current and past employees of the Transferred Businesses. We assumed employee-related liabilities relating to the Transferred Businesses as part of the Share Exchange, except that EchoStar will be responsible for certain existing employee-related litigation as well as certain pre-Share Exchange compensation and benefits for employees transferring to us in connection with the Share Exchange.

Employee Matters Agreement – Master Transaction Agreement. In connection with the completion of the Master Transaction Agreement, effective September 10, 2019, we and EchoStar entered into an Employee Matters Agreement that addresses the transfer of employees from EchoStar to us, including certain benefit and compensation matters and the allocation of responsibility for employee-related liabilities relating to current and past employees of the BSS Business. We assumed employee-related liabilities relating to the BSS Business as part of the Master Transaction Agreement, except that EchoStar will be responsible for certain existing employee-related litigation as well as certain pre-Master Transaction Agreement compensation and benefits for employees transferring to us in connection with the Master Transaction Agreement.

Intellectual Property and Technology License Agreement – Share Exchange. In connection with the completion of the Share Exchange, effective March 1, 2017, we and EchoStar entered into an Intellectual Property and Technology License Agreement ("IPTLA"), pursuant to which we and EchoStar license to each other certain intellectual property and technology. The IPTLA will continue in perpetuity, unless mutually terminated by the parties. Pursuant to the IPTLA, EchoStar granted to us a license to its intellectual property and technology for use by us, among other things, in connection with our continued operation of the Transferred Businesses acquired pursuant to the Share Exchange Agreement, including a limited license to use the "ECHOSTAR" trademark during a transition period. EchoStar retains full ownership of the "ECHOSTAR" trademark. In addition, we granted a license back to EchoStar, among other things, for the continued use of all intellectual property and technology transferred to us pursuant to the Share Exchange Agreement that is used in EchoStar's retained businesses.

Intellectual Property and Technology License Agreement – Master Transaction Agreement. In connection with the completion of the Master Transaction Agreement, effective September 10, 2019, we and EchoStar entered into an IPTLA (the "MTA IPTLA"), pursuant to which we and EchoStar license to each other certain intellectual property and technology. The MTA IPTLA will continue in perpetuity, unless mutually terminated by the parties. Pursuant to the MTA IPTLA, EchoStar granted to us a license to its intellectual property and technology for use by us, among other things, in connection with our continued operation of the BSS Business acquired pursuant to the Master Transaction Agreement, including a limited license to use the "ESS" and "ECHOSTAR SATELLITE SERVICES" trademarks during a transition period. EchoStar retains full ownership of the "ESS" and "ECHOSTAR SATELLITE SERVICES" trademarks. In addition, we granted a license back to EchoStar, among other things, for the continued use of all intellectual property and technology transferred to us pursuant to the Master Transaction Agreement that is used in EchoStar's retained businesses.

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

Related Party Transactions with NagraStar L.L.C.

We own a 50% interest in NagraStar, a joint venture that is our primary provider of encryption and related security systems intended to assure that only authorized customers have access to our programming. Certain payments related to NagraStar are recorded in “Cost of services” on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss). In addition, certain other payments are initially included in “Inventory” and are subsequently capitalized as “Property and equipment, net” on our Condensed Consolidated Balance Sheets or expensed as “Selling, general and administrative expenses” or “Cost of services” on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) when the equipment is deployed. We record all payables in “Trade accounts payable” or “Other accrued expenses” on our Condensed Consolidated Balance Sheets. Our investment in NagraStar is accounted for using the equity method.

The table below summarizes our transactions with NagraStar:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2021	2020	2021	2020
	(In thousands)			
Purchases (including fees):				
Purchases from NagraStar	$ 11,451	$ 14,073	$ 35,124	$ 41,424

	As of	
	September 30, 2021	December 31, 2020
	(In thousands)	
Amounts Payable and Commitments:		
Amounts payable to NagraStar	$ 7,588	$ 9,038
Commitments to NagraStar	$ 5,980	$ 3,260

DISH NETWORK CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Unaudited)

Related Party Transactions with Dish Mexico

Dish Mexico, S. de R.L. de C.V. ("Dish Mexico") is an entity that provides direct-to-home satellite services in Mexico, which is owned 49% by EchoStar. We provide certain broadcast services and certain satellite services to Dish Mexico, which are recorded in "Equipment sales and other revenue" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

The table below summarizes our transactions with Dish Mexico:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2021	2020	2021	2020
	(In thousands)			
Sales:				
Satellite capacity	$ 5,866	$ 5,462	$ 17,597	$ 16,387
Uplink services	1,255	1,207	3,700	3,876
Total	$ 7,121	$ 6,669	$ 21,297	$ 20,263

	As of	
	September 30, 2021	December 31, 2020
	(In thousands)	
Amounts Receivable:		
Amounts receivable from Dish Mexico	$ 12,201	$ 17,029

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

You should read the following management's discussion and analysis of our financial condition and results of operations together with the condensed consolidated financial statements and notes to our financial statements included elsewhere in this Quarterly Report on Form 10-Q. This management's discussion and analysis is intended to help provide an understanding of our financial condition, changes in financial condition and results of our operations and contains forward-looking statements that involve risks and uncertainties. The forward-looking statements are not historical facts, but rather are based on current expectations, estimates, assumptions and projections about our industry, business and future financial results. Our actual results could differ materially from the results contemplated by these forward-looking statements due to a number of factors, including those discussed in our Annual Report on Form 10-K for the year ended December 31, 2020 under the caption "Item 1A. Risk Factors." Furthermore, such forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q, and we expressly disclaim any obligation to update any forward-looking statements.

Overview

We currently operate two primary business segments, Pay-TV and Wireless. Our Wireless business segment consists of two business units, Retail Wireless and 5G Network Deployment.

Our Pay-TV business strategy is to be the best provider of video services in the United States by providing products with the best technology, outstanding customer service, and great value. We offer pay-TV services under the DISH® brand and the SLING® brand (collectively "Pay-TV" services). The DISH branded pay-TV service consists of, among other things, FCC licenses authorizing us to use direct broadcast satellite ("DBS") and Fixed Satellite Service ("FSS") spectrum, our owned and leased satellites, receiver systems, broadcast operations, a leased fiber optic network, in-home service and call center operations, and certain other assets utilized in our operations ("DISH TV"). We also design, develop and distribute receiver systems and provide digital broadcast operations, including satellite uplinking/downlinking, transmission and other services to third-party pay-TV providers. The SLING branded pay-TV services consist of, among other things, multichannel, live-linear streaming over-the-top ("OTT") Internet-based domestic, international and Latino video programming services ("SLING TV"). We promote our Pay-TV services as providing our subscribers with a better "price-to-value" relationship than those available from other subscription television service providers. We market our SLING TV services to consumers who do not subscribe to traditional satellite and cable pay-TV services, as well as to current and recent traditional pay-TV subscribers who desire a lower cost alternative.

Our Retail Wireless business unit offers prepaid and postpaid retail wireless services to subscribers under our Boost Mobile, Ting Mobile and Republic Wireless brands, as well as a competitive portfolio of wireless devices. We offer customers value by providing choice and flexibility in our wireless services. We offer competitive consumer plans with no annual service contracts. Our retail wireless business strategy is to expand our current target segments and profitably grow our subscriber base by acquiring and retaining high quality subscribers while we complete our 5G Network Deployment. We intend to acquire high quality subscribers by providing competitive offers with innovative new value-added services that better meet those subscribers' needs and budget. We intend on retaining those subscribers through those compelling new value-added services and outstanding customer service. As we work to integrate our retail wireless brands one of our focuses is to ensure that our Pay-TV subscribers are aware of the increased value available to them through our retail wireless brands.

Our 5G Network Deployment business unit strategy is to commercialize our wireless spectrum licenses through the completion of the nation's first cloud-native, Open Radio Access Network ("O-RAN") based 5G network (our "5G Network Deployment"). To that end, we have undertaken several key steps including identifying markets to build out, making executive and management hires and entering into agreements with key vendors. For example, on November 16, 2020, we announced a long-term agreement with Crown Castle pursuant to which Crown Castle will lease us space on up to 20,000 communication towers. As part of the agreement, we will also receive certain fiber transport services and have the option to utilize Crown Castle for pre-construction services.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

We entered into a similar agreement with American Tower on March 15, 2021 and have also entered into agreements with a number of other tower providers. We have also entered into multiple long-term agreements with vendors including, among others, Amazon, Dell, Fujitsu, Palo Alto and VMware for cloud computing service, radios, software, network security, and other services related to our 5G Network Deployment. We currently have over 35 markets under construction, including Las Vegas, Nevada, and also commenced the initial launch of consumer beta service in Las Vegas.

Recent Developments

COVID-19 Update

A novel strain of coronavirus which causes the disease COVID-19 has resulted in a worldwide pandemic. COVID-19 has surfaced in nearly all regions around the world and resulted in global travel restrictions and business slowdowns or shutdowns. The COVID-19 pandemic has also created unanticipated circumstances and uncertainty, disruption, and significant volatility in the economic environment generally, which have adversely affected, and may continue to adversely affect, our business operations and could materially and adversely affect our business, financial condition and results of operations. As the COVID-19 pandemic continues, many of our subscribers are impacted by recommendations and/or mandates from federal, state, and local authorities to practice social distancing, to refrain from gathering in groups and, in some areas, to refrain from non-essential movements outside of their homes. While certain government regulations and/or mandates have eased, or are expected to ease in 2021 and COVID-19 vaccines have become broadly available in certain areas, governmental authorities are continuing to monitor the situation and take various actions in an effort to slow or prevent an increase in the spread of COVID-19. COVID-19 continues to impact our business during 2021, in particular in the following areas:

- In response to the outbreak and business disruption, first and foremost, we have prioritized the health and safety of our employees. We have implemented increased health and safety practices including, increased use of personal protective equipment for employees to protect them and our subscribers, and temperature checks at certain locations.

- Our DISH TV and Retail Wireless businesses have been and may be further impacted by: (i) government recommendations and/or mandates for commercial establishments to operate at reduced capacity; and (ii) reduced in person selling opportunities due to subscriber preferences and actions as well as government restrictions.

- Our supply chain has been impacted by COVID-19, and there have been and could be additional significant and unanticipated interruptions and/or delays in the supply of materials and/or equipment across our supply chain, due to, among other things, surges in COVID-19. Moreover, the recent surges in COVID-19 cases in areas outside the United States and the stringent lockdowns implemented in response to such surges are causing interruptions and/or delays that are adversely impacting, among other things, the software, hardware and testing related to our 5G Network Deployment. In addition, during 2021 there have been worldwide interruptions and delays in the supply of electronic components including semi-conductors, which have negatively impacted our ability to obtain set-top boxes, wireless devices and wireless network equipment. Furthermore, we may not be able to diversify sources of supply in a timely manner to mitigate these interruptions and/or delays. These interruptions and/or delays in our supply chain could have a material adverse effect on our business, including our Pay-TV and Retail Wireless operations, our ability to meet our build-out requirement deadlines for our wireless spectrum licenses and our 5G Network Deployment generally.

We continue to monitor the evolving situation and guidance from international and domestic authorities, including federal, state and local public health agencies and may take additional actions based on their recommendations. In these circumstances, there may be developments beyond our control requiring us to adjust our operating plan. As such, given the dynamic nature of this situation, we cannot reasonably estimate the impacts of COVID-19 on our financial condition, results of operations or cash flows in the future.

Acquisitions

Boost Mobile Acquisition

Asset Purchase Agreement. On July 26, 2019, we entered into an Asset Purchase Agreement (the "APA") with T-Mobile and Sprint Corporation ("Sprint" and together with T-Mobile, the "Sellers" and given the consummation of the Sprint/T-Mobile merger, sometimes referred to as "NTM") to acquire from NTM certain assets and liabilities associated with Sprint's Boost Mobile and Sprint-branded prepaid mobile services businesses (the "Prepaid Business") for an aggregate purchase price of $1.4 billion, as adjusted for specific categories of net working capital on the closing date (the "Boost Mobile Acquisition"). Effective July 1, 2020 (the "Closing Date"), upon the terms and subject to the conditions set forth in the APA and in accordance with the Final Judgment (as defined below), we and T-Mobile completed the Boost Mobile Acquisition and DISH Network officially entered into the retail wireless market, serving more than 9 million subscribers under the Boost Mobile brand.

In connection with the Boost Mobile Acquisition and the consummation of the Sprint/T-Mobile merger, we, T-Mobile, Sprint, Deutsche Telekom AG ("DT") and SoftBank Group Corporation ("SoftBank") came to an agreement with the United States Department of Justice (the "DOJ") on key terms and approval of the Transaction Agreements (as defined in Note 5 in the Notes to our Condensed Consolidated Financial Statements) and our wireless service business and spectrum. On July 26, 2019, we, T-Mobile, Sprint, DT and SoftBank (collectively, the "Defendants") entered into a Stipulation and Order (the "Stipulation and Order") with the DOJ binding the Defendants to a Proposed Final Judgment (the "Proposed Final Judgment") which memorialized the agreement between the DOJ and the Defendants.

The Stipulation and Order and the Proposed Final Judgment were filed in the United States District Court for the District of Columbia (the "District Court") on July 26, 2019 and on April 1, 2020, the Proposed Final Judgment was entered with the District Court (the Proposed Final Judgment as so entered with the District Court, the "Final Judgment") and the Sellers consummated the Sprint/T-Mobile merger.

Ting Mobile Acquisition

On August 1, 2020, we completed an asset purchase agreement with Tucows Inc. ("Tucows") pursuant to which we purchased the assets of Ting Mobile, including over 200,000 Ting Mobile subscribers (the "Ting Mobile Acquisition"). In addition, we entered into a services agreement pursuant to which Tucows will act as a mobile virtual network enabler for certain of our retail wireless subscribers. The consideration for the Ting Mobile Acquisition is an earn-out provision and the fair value of the earn-out provision has been assigned to a customer relationship intangible that is recorded in "Intangible assets, net." The estimated fair value of the earn-out liability is recorded in "Other accrued expenses" and "Long-term deferred revenue and other long-term liabilities" on our Condensed Consolidated Balance Sheets. See Note 5 in the Notes to our Condensed Consolidated Financial Statements for further information.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

Republic Wireless Acquisition

On May 1, 2021, we completed an asset purchase agreement with Republic Wireless Inc. ("Republic Wireless") pursuant to which we purchased certain assets and liabilities of Republic Wireless, including approximately 200,000 wireless subscribers (the "Republic Wireless Acquisition"). The consideration for the Republic Wireless Acquisition consisted of an upfront cash payment and an earn-out provision. The fair value of the consideration has been assigned to customer relationship and tradename intangibles, and goodwill that are recorded in "Intangible assets, net" on our Condensed Consolidated Balance Sheets. The estimated fair value of the earn-out liability is recorded in "Other accrued expenses" and "Long-term deferred revenue and other long-term liabilities" on our Condensed Consolidated Balance Sheets.

We accounted for the Boost Mobile Acquisition, the Ting Mobile Acquisition and the Republic Wireless Acquisition as business combinations. The identifiable assets acquired and liabilities assumed were recorded at their estimated fair values as of the acquisition date and are consolidated into our financial statements. See Note 5 in the Notes to our Condensed Consolidated Financial Statements for further information.

EXPLANATION OF KEY METRICS AND OTHER ITEMS

Service revenue. "Service revenue" consists principally of Pay-TV and wireless subscriber revenue. Certain of the amounts included in "Service revenue" are not recurring on a monthly basis.

Equipment sales and other revenue. "Equipment sales and other revenue" principally includes the sale of wireless devices and the non-subsidized sales of Pay-TV equipment.

Cost of services. "Cost of services" principally include Pay-TV programming expenses and other operating costs related to our Pay-TV segment and costs of wireless services (including costs incurred under the MNSA).

Cost of sales - equipment and other. "Cost of sales – equipment and other" principally includes the cost of wireless devices and other related items as well as costs related to the non-subsidized sales of Pay-TV equipment. Costs are generally recognized as products are delivered to customers and the related revenue is recognized.

Selling, general and administrative expenses. "Selling, general and administrative expenses" consists primarily of direct sales costs, advertising, third-party commissions related to the acquisition of subscribers, costs related to the installation of our new Pay-TV subscribers, the cost of subsidized sales of Pay-TV equipment for new subscribers and employee-related costs associated with administrative services such as legal, information systems, and accounting and finance.

Interest expense, net of amounts capitalized. "Interest expense, net of amounts capitalized" primarily includes interest expense associated with our long-term debt (net of capitalized interest), prepayment premiums, amortization of debt discounts and debt issuance costs associated with our long-term debt, and interest expense associated with our finance lease obligations.

Other, net. The main components of "Other, net" are gains and losses realized on the sale and/or conversion of marketable and non-marketable investment securities and derivative instruments, impairment of marketable and non-marketable investment securities, unrealized gains and losses from changes in fair value of certain marketable investment securities and derivative instruments, and equity in earnings and losses of our affiliates.

Earnings before interest, taxes, depreciation and amortization ("EBITDA"). EBITDA is defined as "Net income (loss) attributable to DISH Network" plus "Interest expense, net of amounts capitalized" and net of "Interest income," "Income tax (provision) benefit, net" and "Depreciation and amortization." This "non-GAAP measure" is reconciled to "Net income (loss) attributable to DISH Network" in our discussion of "Results of Operations" below.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

Operating income before depreciation and amortization ("OIBDA"). OIBDA is defined as "Operating income (loss)" plus "Depreciation and amortization." This "non-GAAP measure" is reconciled to "Operating income (loss)" in our discussion of "Results of Operations" below.

DISH TV subscribers. We include customers obtained through direct sales, independent third-party retailers and other independent third-party distribution relationships in our DISH TV subscriber count. We also provide DISH TV services to hotels, motels and other commercial accounts. For certain of these commercial accounts, we divide our total revenue for these commercial accounts by $34.99, and include the resulting number, which is substantially smaller than the actual number of commercial units served, in our DISH TV subscriber count.

SLING TV subscribers. We include customers obtained through direct sales and third-party marketing agreements in our SLING TV subscriber count. SLING TV subscribers are recorded net of disconnects. SLING TV customers receiving service for no charge, under certain new subscriber promotions, are excluded from our SLING TV subscriber count. For customers who subscribe to multiple SLING TV packages, each customer is only counted as one SLING TV subscriber.

Pay-TV subscribers. Our Pay-TV subscriber count includes all DISH TV and SLING TV subscribers discussed above. For customers who subscribe to both our DISH TV services and our SLING TV services, each subscription is counted as a separate Pay-TV subscriber.

Pay-TV average monthly revenue per subscriber ("Pay-TV ARPU"). We are not aware of any uniform standards for calculating ARPU and believe presentations of ARPU may not be calculated consistently by other companies in the same or similar businesses. We calculate Pay-TV average monthly revenue per Pay-TV subscriber, or Pay-TV ARPU, by dividing average monthly Pay-TV segment "Service revenue," excluding revenue from broadband services, for the period by our average number of Pay-TV subscribers for the period. The average number of Pay-TV subscribers is calculated for the period by adding the average number of Pay-TV subscribers for each month and dividing by the number of months in the period. The average number of Pay-TV subscribers for each month is calculated by adding the beginning and ending Pay-TV subscribers for the month and dividing by two. SLING TV subscribers on average purchase lower priced programming services than DISH TV subscribers, and therefore, as SLING TV subscribers increase as a percentage of total Pay-TV subscribers, it has had a negative impact on Pay-TV ARPU.

DISH TV average monthly subscriber churn rate ("DISH TV churn rate"). We are not aware of any uniform standards for calculating subscriber churn rate and believe presentations of subscriber churn rates may not be calculated consistently by different companies in the same or similar businesses. We calculate DISH TV churn rate for any period by dividing the number of DISH TV subscribers who terminated service during the period by the average number of DISH TV subscribers for the same period, and further dividing by the number of months in the period. The average number of DISH TV subscribers is calculated for the period by adding the average number of DISH TV subscribers for each month and dividing by the number of months in the period. The average number of DISH TV subscribers for each month is calculated by adding the beginning and ending DISH TV subscribers for the month and dividing by two.

DISH TV SAC. Subscriber acquisition cost measures are commonly used by those evaluating traditional companies in the pay-TV industry. We are not aware of any uniform standards for calculating the "average subscriber acquisition costs per new DISH TV subscriber activation," or DISH TV SAC, and we believe presentations of pay-TV SAC may not be calculated consistently by different companies in the same or similar businesses. Our DISH TV SAC is calculated using all costs of acquiring DISH TV subscribers (e.g., subsidized equipment, advertising, installation, commissions and direct sales, etc.) which are included in "Selling, general and administrative expenses," plus capitalized payments made under certain sales incentive programs and the value of equipment capitalized under our lease program for new DISH TV subscribers, divided by gross new DISH TV subscriber activations. We include all new DISH TV subscribers in our calculation, including DISH TV subscribers added with little or no subscriber acquisition costs.

Wireless subscribers. We include prepaid and postpaid customers obtained through direct sales, independent third-party retailers and other independent third-party distribution relationships in our wireless subscriber count.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

Wireless average monthly revenue per subscriber ("Wireless ARPU"). We are not aware of any uniform standards for calculating ARPU and believe presentations of ARPU may not be calculated consistently by other companies in the same or similar businesses. We calculate average monthly revenue per wireless subscriber, or Wireless ARPU, by dividing average monthly Retail Wireless business unit "Service revenue" for the period by our average number of wireless subscribers for the period. The average number of wireless subscribers is calculated for the period by adding the average number of wireless subscribers for each month and dividing by the number of months in the period. The average number of wireless subscribers for each month is calculated by adding the beginning and ending wireless subscribers for the month and dividing by two.

Wireless average monthly subscriber churn rate ("Wireless churn rate"). We are not aware of any uniform standards for calculating subscriber churn rate and believe presentations of subscriber churn rates may not be calculated consistently by different companies in the same or similar businesses. We calculate our "Wireless churn rate" for any period by dividing the number of wireless subscribers who terminated service during the period by the average number of wireless subscribers for the same period, and further dividing by the number of months in the period. The average number of wireless subscribers is calculated for the period by adding the average number of wireless subscribers for each month and dividing by the number of months in the period. The average number of wireless subscribers for each month is calculated by adding the beginning and ending wireless subscribers for the month and dividing by two.

Free cash flow. We define free cash flow as "Net cash flows from operating activities" less "Purchases of property and equipment" and "Capitalized interest related to FCC authorizations," as shown on our Condensed Consolidated Statements of Cash Flows.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

RESULTS OF OPERATIONS – Segments

Business Segments

We currently operate two primary business segments: (1) Pay-TV; and (2) Wireless. Our Wireless segment consists of two business units, the Retail Wireless business unit and 5G Network Deployment business unit. Revenue and operating income (loss) by segment are shown in the table below:

Three Months Ended September 30, 2021 Compared to the Three Months Ended September 30, 2020.

	For the Three Months Ended September 30,		Variance	
	2021	2020	Amount	%
		(In thousands)		
Revenue:				
Pay-TV	$ 3,220,128	$ 3,190,664	$ 29,464	0.9
Wireless	1,230,072	1,341,512	(111,440)	(8.3)
Eliminations	(565)	(585)	20	3.4
Total revenue	$ 4,449,635	$ 4,531,591	$ (81,956)	(1.8)
Operating income (loss):				
Pay-TV	$ 699,730	$ 803,817	$ (104,087)	(12.9)
Wireless	17,975	7,431	10,544	*
Total operating income (loss)	$ 717,705	$ 811,248	$ (93,543)	(11.5)

*Percentage is not meaningful

Total revenue. Our consolidated revenue totaled $4.450 billion for the three months ended September 30, 2021, a decrease of $82 million or 1.8% compared to the same period in 2020. The net decrease primarily resulted from the decrease in revenue from our Wireless segment, partially offset by an increase in revenue from our Pay-TV segment.

Total operating income (loss). Our consolidated operating income totaled $718 million for the three months ended September 30, 2021, a decrease of $94 million compared to the same period in 2020. The net change primarily resulted from a decrease in the operating income from our Pay-TV segment, partially offset by an increase in operating income from our Retail Wireless business unit.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

Nine Months Ended September 30, 2021 Compared to the Nine Months Ended September 30, 2020.

	For the Nine Months Ended September 30,		Variance	
	2021	2020	Amount	%
		(In thousands)		
Revenue:				
Pay-TV	$ 9,676,487	$ 9,595,131	$ 81,356	0.8
Wireless	3,761,834	1,343,893	2,417,941	*
Eliminations	(3,873)	(2,954)	(919)	(31.1)
Total revenue	$ 13,434,448	$ 10,936,070	$ 2,498,378	22.8
Operating income (loss):				
Pay-TV	$ 2,299,387	$ 2,040,970	$ 258,417	12.7
Wireless	189,632	(447,994)	637,626	*
Total operating income (loss)	$ 2,489,019	$ 1,592,976	$ 896,043	56.2

*Percentage is not meaningful

Total revenue. Our consolidated revenue totaled $13.434 billion for the nine months ended September 30, 2021, an increase of $2.498 billion or 22.8% compared to the same period in 2020. The increase primarily resulted from the completion of the Boost Mobile Acquisition on July 1, 2021.

Total operating income (loss). Our consolidated operating income totaled $2.489 billion for the nine months ended September 30, 2021, an increase of $896 million compared to the same period in 2020. The change primarily resulted from an increase in the operating income from our Pay-TV segment and the completion of the Boost Mobile Acquisition on July 1, 2020. The nine months ended September 30, 2020 was negatively impacted by operating losses associated with our 5G Network Deployment business unit, principally related to an "Impairment of long-lived assets" of $356 million. See Note 2 in the Notes to our Condensed Consolidated Financial Statements for further information.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

Pay-TV Segment

We offer Pay-TV services under the DISH® brand and the SLING® brand. As of September 30, 2021, we had 10.980 million Pay-TV subscribers in the United States, including 8.424 million DISH TV subscribers and 2.556 million SLING TV subscribers.

We promote our Pay-TV services as providing our subscribers with better service, technology and value than those available from other subscription television service providers. We offer a wide selection of video services under the DISH TV brand, with access to hundreds of channels depending on the level of subscription. Our standard programming packages generally include programming provided by national and regional cable networks. We also offer programming packages that include local broadcast networks, specialty sports channels, premium movie channels and Latino and international programming. We market our SLING TV services to consumers who do not subscribe to traditional satellite and cable pay-TV services, as well as to current and recent traditional pay-TV subscribers who desire a lower cost alternative. Our SLING TV services require an Internet connection and are available on multiple streaming-capable devices including streaming media devices, TVs, tablets, computers, game consoles and phones. We offer SLING domestic, SLING International, and SLING Latino video programming services.

Trends in our Pay-TV Segment

Competition

Competition has intensified in recent years as the pay-TV industry has matured. We and our competitors increasingly must seek to attract a greater proportion of new subscribers from each other's existing subscriber bases rather than from first-time purchasers of pay-TV services. We face substantial competition from established pay-TV providers and broadband service providers and increasing competition from companies providing/facilitating the delivery of video content via the Internet to computers, televisions, and other streaming and mobile devices, including wireless service providers. In recent years, industry consolidation and convergence has created competitors with greater scale and multiple product/service offerings. These developments, among others, have contributed to intense and increasing competition, and we expect such competition to continue.

We incur significant costs to retain our existing DISH TV subscribers, mostly as a result of upgrading their equipment to next generation receivers, primarily including our Hopper receivers, and by providing retention credits. Our DISH TV subscriber retention costs may vary significantly from period to period.

Many of our competitors have been especially aggressive by offering discounted programming and services for both new and existing subscribers, including bundled offers combining broadband, video and/or wireless services and other promotional offers. Certain competitors have been able to subsidize the price of video services with the price of broadband and/or wireless services.

Our Pay-TV services also face increased competition from programmers and other companies who distribute video directly to consumers over the Internet, as well as traditional satellite television providers, cable companies and large telecommunications companies that are increasing their Internet-based video offerings. We also face competition from providers of video content, many of which are providers of our programming content, that distribute content over the Internet including services with live-linear television programming, as well as single programmer offerings and offerings of large libraries of on-demand content, including in certain cases original content. These providers include, among others, Netflix, Hulu, Apple, Amazon, Alphabet, Disney, Verizon, AT&T, ViacomCBS, STARZ, Peacock, Fubo and Philo.

Significant changes in consumer behavior with regard to the means by which consumers obtain video entertainment and information in response to digital media competition could have a material adverse effect on our business, results of operations and financial condition or otherwise disrupt our business.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

In particular, consumers have shown increased interest in viewing certain video programming in any place, at any time and/or on any broadband-connected device they choose. Online content providers may cause our subscribers to disconnect our DISH TV services ("cord cutting"), downgrade to smaller, less expensive programming packages ("cord shaving") or elect to purchase through these online content providers a certain portion of the services that they would have historically purchased from us, such as pay per view movies.

Mergers and acquisitions, joint ventures and alliances among cable television providers, telecommunications companies, programming providers and others may result in, among other things, greater scale and financial leverage and increase the availability of offerings from providers capable of bundling video, broadband and/or wireless services in competition with our services and may exacerbate the risks described in our public filings. These transactions may affect us adversely by, among other things, making it more difficult for us to obtain access to certain programming networks on nondiscriminatory and fair terms, or at all.

Our Pay-TV subscriber base has been declining due to, among other things, the factors described above. There can be no assurance that our Pay-TV subscriber base will not continue to decline and that the pace of such decline will not accelerate. As our Pay-TV subscriber base continues to decline, it could have a material adverse long-term effect on our business, results of operations, financial condition and cash flow.

Programming

Our ability to compete successfully will depend, among other things, on our ability to continue to obtain desirable programming and deliver it to our subscribers at competitive prices. Programming costs represent a large percentage of our "Cost of services" and the largest component of our total expense. We expect these costs to continue to increase due to contractual price increases and the renewal of long-term programming contracts on less favorable pricing terms and certain programming costs are rising at a much faster rate than wages or inflation. In particular, the rates we are charged for retransmitting local broadcast channels have been increasing substantially and may exceed our ability to increase our prices to our subscribers. Going forward, our margins may face pressure if we are unable to renew our long-term programming contracts on acceptable pricing and other economic terms or if we are unable to pass these increased programming costs on to our subscribers.

Increases in programming costs have caused us to increase the rates that we charge to our subscribers, which could in turn cause our existing Pay-TV subscribers to disconnect our service or cause potential new Pay-TV subscribers to choose not to subscribe to our service. Additionally, even if our subscribers do not disconnect our services, they may purchase through new and existing online content providers a certain portion of the services that they would have historically purchased from us, such as pay-per-view movies.

Furthermore, our net Pay-TV subscriber additions, gross new DISH TV subscriber activations, and DISH TV churn rate may be negatively impacted if we are unable to renew our long-term programming carriage contracts before they expire. In the past, our net Pay-TV subscriber additions, gross new DISH TV subscriber activations, and DISH TV churn rate have been negatively impacted as a result of programming interruptions and threatened programming interruptions in connection with the scheduled expiration of programming carriage contracts with content providers. On October 6, 2021, Tegna Inc. ("Tegna") removed its channels from our DISH TV programming lineup in 53 markets, after we and Tegna were unable to negotiate the terms and conditions of a new programming carriage contract. As a result, there can be no assurance that the removal of these or other channels will not have a material adverse effect on our business, results of operations and financial condition or otherwise disrupt our business. In addition, we cannot predict with any certainty the impact to our net Pay-TV subscriber additions, gross new DISH TV subscriber activations, and DISH TV churn rate resulting from additional programming interruptions or threatened programming interruptions that may occur in the future. As a result, we may at times suffer from periods of lower net Pay-TV subscriber additions or higher net Pay-TV subscriber losses.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

RESULTS OF OPERATIONS – PAY-TV Segment

Three Months Ended September 30, 2021 Compared to the Three Months Ended September 30, 2020.

	For the Three Months Ended September 30,		Variance	
Statements of Operations Data	**2021**	**2020**	**Amount**	**%**
	(In thousands)			
Revenue:				
Service revenue	$ 3,175,193	$ 3,139,575	$ 35,618	1.1
Equipment sales and other revenue	44,935	51,089	(6,154)	(12.0)
Total revenue	3,220,128	3,190,664	29,464	0.9
Costs and expenses:				
Cost of services	1,955,608	1,822,440	133,168	7.3
% of Service revenue	**61.6 %**	**58.0 %**		
Cost of sales - equipment and other	28,610	31,044	(2,434)	(7.8)
Selling, general and administrative expenses	400,750	381,116	19,634	5.2
% of Total revenue	**12.4 %**	**11.9 %**		
Depreciation and amortization	135,430	152,247	(16,817)	(11.0)
Total costs and expenses	2,520,398	2,386,847	133,551	5.6
Operating income (loss)	$ 699,730	$ 803,817	$ (104,087)	(12.9)
Other data:				
Pay-TV subscribers, as of period end (in millions) **	10.980	11.423	(0.443)	(3.9)
DISH TV subscribers, as of period end (in millions) **	8.424	8.965	(0.541)	(6.0)
SLING TV subscribers, as of period end (in millions)	2.556	2.458	0.098	4.0
Pay-TV subscriber additions (losses), net (in millions)	(0.013)	0.116	(0.129)	*
DISH TV subscriber additions (losses), net (in millions)	(0.130)	(0.087)	(0.043)	(49.4)
SLING TV subscriber additions (losses), net (in millions)	0.117	0.203	(0.086)	(42.4)
Pay-TV ARPU	$ 96.31	$ 91.79	$ 4.52	4.9
DISH TV subscriber additions, gross (in millions)	0.224	0.292	(0.068)	(23.3)
DISH TV churn rate	1.39 %	1.41 %	(0.02)%	(1.4)
DISH TV SAC	$ 824	$ 864	$ (40)	(4.6)
Purchases of property and equipment	35,081	90,948	(55,867)	(61.4)
OIBDA	$ 835,160	$ 956,064	$ (120,904)	(12.6)

* Percentage is not meaningful.
**During the first quarter of 2020, we removed approximately 250,000 subscribers representing commercial accounts impacted by COVID-19 from our ending Pay-TV subscriber count. During the second, third and fourth quarters of 2020, 45,000, 35,000 and zero, respectively, of these subscribers came off pause or had temporary rate relief end and were added to our Pay-TV subscriber count during the periods they returned in 2020, and 17,000, 5,000 and 47,000, respectively, of these subscribers disconnected. During the three months ended March 31, 2021, the remaining commercial accounts representing 101,000 subscribers disconnected. The effect of the removal of the 250,000 subscribers, the addition of these 80,000 subscribers and disconnect of 170,000 subscribers was excluded from the calculation of our gross new Pay-TV subscriber activations, net Pay-TV subscriber additions/losses and Pay-TV churn rate. See "Results of Operations – Pay-TV subscribers" for further information.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

Pay-TV Subscribers

DISH TV subscribers. We lost approximately 130,000 net DISH TV subscribers during the three months ended September 30, 2021 compared to the loss of approximately 87,000 net DISH TV subscribers during the same period in 2020. This increase in net DISH TV subscriber losses primarily resulted from lower gross new DISH TV subscriber activations, partially offset by a lower DISH TV churn rate.

SLING TV subscribers. We added approximately 117,000 net SLING TV subscribers during the three months ended September 30, 2021 compared to the addition of approximately 203,000 net SLING TV subscribers during the same period in 2020. The decrease in net SLING TV subscriber additions was primarily related to higher subscriber disconnects, partially offset by higher Sling TV subscriber activations. We continue to experience increased competition, including competition from other subscription video on-demand and live-linear OTT service providers. The three months ended September 30, 2020 was negatively impacted by delays and cancellations of sporting events as a result of COVID-19.

DISH TV subscribers, gross. During the three months ended September 30, 2021, we activated approximately 224,000 gross new DISH TV subscribers compared to approximately 292,000 gross new DISH TV subscribers during the same period in 2020, a decrease of 23.3%. This decrease in our gross new DISH TV subscriber activations was primarily related to the lack of demand, as well as increased competitive pressures, including aggressive short term introductory pricing and bundled offers combining broadband, video and/or wireless services and other discounted promotional offers, live-linear OTT service providers, direct-to-consumer offerings by certain of our programmers, and channel removals. In addition, our gross new DISH TV subscriber activations continue to be negatively impacted by stricter customer acquisition policies for our DISH TV subscribers, including an emphasis on acquiring higher quality subscribers. Furthermore, we continue to assess the impact of COVID-19 and cannot predict with certainty the impact to our gross new DISH TV subscribers as a result of, among other things, lower discretionary spending and reduced ability to perform our in-home service operations due to the impact of social distancing.

DISH TV churn rate. Our DISH TV churn rate for the three months ended September 30, 2021 was 1.39% compared to 1.41% for the same period in 2020. Our DISH TV churn rate for the three months ended September 30, 2021 continues to be positively impacted by COVID-19 and the resulting increased consumption of our Pay-TV services. We continue to assess the impact of COVID-19 and cannot predict with certainty the impact to our DISH TV churn rate as a result of, among other things, lower discretionary spending and reduced ability to perform our in-home service operations due to the impact of social distancing. Our DISH TV churn rate was positively impacted by our emphasis on acquiring and retaining higher quality subscribers. Our DISH TV churn rate continues to be adversely impacted by external factors, such as, among other things, increased competitive pressures, including aggressive marketing, bundled discount offers combining broadband, video and/or wireless services and other discounted promotional offers, as well as cord cutting. Our DISH TV churn rate is also impacted by internal factors, such as, among other things, our ability to consistently provide outstanding customer service, price increases, programming interruptions in connection with the scheduled expiration of certain programming carriage contracts, our ability to control piracy and other forms of fraud and the level of our retention efforts.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

Beginning in March 2020, several federal, state, and local government agencies implemented recommendations, guidelines, and orders regarding "social distancing" in an attempt to slow or stop the spread of COVID-19. As a result of these actions, many bars, restaurants, and other commercial establishments were ordered to and in certain cases continue to be recommended and/or ordered to suspend all non-essential "in-person" business operations and/or operate at reduced capacity. In addition, airlines and hotels significantly reduced operations as a result of government actions and/or related lower consumer demand. In an effort to avoid charging commercial customers for services in their establishments which were no longer open to the public, we paused service or provided temporary rate relief for certain of those commercial accounts. For certain commercial accounts, each subscription is counted as one Pay-TV subscriber. For other commercial accounts, as discussed above, we divide our total revenue for these commercial accounts by $34.99, and include the resulting number, which is substantially smaller than the actual number of commercial units served, in our Pay-TV subscriber count. During the first quarter of 2020, we removed 250,000 subscribers from our ending Pay-TV subscriber count for commercial accounts we placed on pause, or received reduced revenue, or for which we anticipate the account to disconnect due to COVID-19. During the second, third and fourth quarters of 2020, 45,000, 35,000 and zero, respectively, of these subscribers came off pause or had temporary rate relief end and 17,000, 5,000 and 47,000, respectively, of these subscribers disconnected. We did not incur any significant expenses in connection with the return of the 80,000 commercial accounts and accordingly, those commercial accounts were added to our ending subscriber count during the periods they returned in 2020 and were not recorded as gross new Pay-TV subscriber activations. During the first quarter of 2021, the remaining commercial accounts representing 101,000 subscribers disconnected.

We cannot predict with any certainty the impact to our net Pay-TV subscriber additions, gross new DISH TV subscriber activations, and DISH TV subscriber churn rate resulting from programming interruptions or threatened programming interruptions that may occur in the future. As a result, we may at times suffer from periods of lower net Pay-TV subscriber additions or higher net Pay-TV subscriber losses.

We have not always met our own standards for performing high-quality installations, effectively resolving subscriber issues when they arise, answering subscriber calls in an acceptable timeframe, effectively communicating with our subscriber base, reducing calls driven by the complexity of our business, improving the reliability of certain systems and subscriber equipment and aligning the interests of certain independent third-party retailers and installers to provide high-quality service. Most of these factors have affected both gross new DISH TV subscriber activations as well as DISH TV subscriber churn rate. Our future gross new DISH TV subscriber activations and our DISH TV subscriber churn rate may be negatively impacted by these factors, which could in turn adversely affect our revenue.

Service revenue. "Service revenue" totaled $3.175 billion for the three months ended September 30, 2021, an increase of $36 million or 1.1% compared to the same period in 2020. The increase in "Service revenue" compared to the same period in 2020 was primarily related to an increase in Pay-TV ARPU, discussed below, partially offset by a lower average Pay-TV subscriber base.

Pay-TV ARPU. Pay-TV ARPU was $96.31 during the three months ended September 30, 2021 versus $91.79 during the same period in 2020. The $4.52 or 4.9% increase in Pay-TV ARPU was primarily attributable to the DISH TV programming package price increases in the first quarter of 2021 and 2020, the SLING TV programming package price increases in the first quarter of 2021 and 2020, partially offset by an increase in SLING TV subscribers as a percentage of our total Pay-TV subscriber base. SLING TV subscribers on average purchase lower priced programming services than DISH TV subscribers, and therefore, the increase in SLING TV subscribers as a percentage of our total Pay-TV subscriber base had a negative impact on Pay-TV ARPU.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

Cost of services. "Cost of services" totaled $1.956 billion during the three months ended September 30, 2021, an increase of $133 million or 7.3% compared to the same period in 2020. The increase in "Cost of services" was primarily attributable to higher programming costs per subscriber, partially offset by a lower average Pay-TV subscriber base. Programming costs per subscriber increased during the three months ended September 30, 2021 due to rate increases in certain of our programming contracts, including the renewal of certain contracts at higher rates, particularly for local broadcast channels. Furthermore, programming costs per subscriber were lower during the three months ended September 30, 2020 due to multiple one-time programming adjustments. "Cost of services" represented 61.6% and 58.0% of "Service revenue" during the three months ended September 30, 2021 and 2020, respectively.

In the normal course of business, we enter into contracts to purchase programming content in which our payment obligations are generally contingent on the number of Pay-TV subscribers to whom we provide the respective content. Our "Cost of services" have and will continue to face further upward pressure from price increases and the renewal of long-term programming contracts on less favorable pricing terms. In addition, our programming expenses will increase to the extent we are successful in growing our Pay-TV subscriber base.

Selling, general and administrative expenses. "Selling, general and administrative expenses" totaled $401 million during the three months ended September 30, 2021, a $20 million or 5.2% increase compared to the same period in 2020. This change was primarily driven by an increase in costs to support the Pay-TV segment.

DISH TV SAC. DISH TV SAC was $824 during the three months ended September 30, 2021 compared to $864 during the same period in 2020, a decrease of $40 or 4.6%. This change was primarily attributable to a decrease in hardware costs per activation and higher commercial additions compared to the same period in 2020, partially offset by an increase in advertising costs per subscriber. The decrease in hardware costs per activation primarily resulted from lower average costs per receiver and a higher percentage of remanufactured receivers being activated on new subscriber accounts. Commercial activations historically have lower DISH TV SAC than residential activations, and therefore the increase in commercial activations have a positive impact on DISH TV SAC.

During the three months ended September 30, 2021 and 2020, the amount of equipment capitalized under our lease program for new DISH TV subscribers totaled $16 million and $49 million, respectively. This decrease in capital expenditures primarily resulted from a decrease in gross new DISH TV subscriber activations and a higher percentage of remanufactured receivers being activated on new subscriber accounts.

To remain competitive, we upgrade or replace subscriber equipment periodically as technology changes, and the costs associated with these upgrades may be substantial. To the extent technological changes render a portion of our existing equipment obsolete, we would be unable to redeploy all returned equipment and consequently would realize less benefit from the DISH TV SAC reduction associated with redeployment of that returned lease equipment.

Our "DISH TV SAC" may materially increase in the future to the extent that we, among other things, transition to newer technologies, introduce more aggressive promotions, or provide greater equipment subsidies. See further information under *"Liquidity and Capital Resources – Subscriber Acquisition and Retention Costs."*

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

Nine Months Ended September 30, 2021 Compared to the Nine Months Ended September 30, 2020.

Statements of Operations Data	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020	Variance Amount	Variance %
	(In thousands)			
Revenue:				
Service revenue	$ 9,541,602	$ 9,455,429	$ 86,173	0.9
Equipment sales and other revenue	134,885	139,702	(4,817)	(3.4)
Total revenue	9,676,487	9,595,131	81,356	0.8
Costs and expenses:				
Cost of services	5,802,049	5,838,595	(36,546)	(0.6)
% of Service revenue	**60.8 %**	**61.7 %**		
Cost of sales - equipment and other	76,549	89,881	(13,332)	(14.8)
Selling, general and administrative expenses	1,082,649	1,160,791	(78,142)	(6.7)
% of Total revenue	**11.2 %**	**12.1 %**		
Depreciation and amortization	415,853	464,894	(49,041)	(10.5)
Total costs and expenses	7,377,100	7,554,161	(177,061)	(2.3)
Operating income (loss)	$ 2,299,387	$ 2,040,970	$ 258,417	12.7
Other data:				
Pay-TV subscribers, as of period end (in millions) **	10.980	11.423	(0.443)	(3.9)
DISH TV subscribers, as of period end (in millions) **	8.424	8.965	(0.541)	(6.0)
SLING TV subscribers, as of period end (in millions)	2.556	2.458	0.098	4.0
Pay-TV subscriber additions (losses), net (in millions)	(0.310)	(0.393)	0.083	21.1
DISH TV subscriber additions (losses), net (in millions)	(0.392)	(0.259)	(0.133)	(51.4)
SLING TV subscriber additions (losses), net (in millions)	0.082	(0.134)	0.216	*
Pay-TV ARPU	$ 95.41	$ 90.88	$ 4.53	5.0
DISH TV subscriber additions, gross (in millions)	0.635	0.859	(0.224)	(26.1)
DISH TV churn rate	1.32 %	1.36 %	(0.04)%	(2.9)
DISH TV SAC	$ 834	$ 854	$ (20)	(2.3)
Purchases of property and equipment	131,217	244,744	(113,527)	(46.4)
OIBDA	$ 2,715,240	$ 2,505,864	$ 209,376	8.4

* Percentage is not meaningful.

**During the first quarter of 2020, we removed approximately 250,000 subscribers representing commercial accounts impacted by COVID-19 from our ending Pay-TV subscriber count. During the second, third and fourth quarters of 2020, 45,000, 35,000 and zero, respectively, of these subscribers came off pause or had temporary rate relief end and were added to our Pay-TV subscriber count during the periods they returned in 2020, and 17,000, 5,000 and 47,000, respectively, of these subscribers disconnected. During the three months ended March 31, 2021, the remaining commercial accounts representing 101,000 subscribers disconnected. The effect of the removal of the 250,000 subscribers, the addition of these 80,000 subscribers and disconnect of 170,000 subscribers was excluded from the calculation of our gross new Pay-TV subscriber activations, net Pay-TV subscriber additions/losses and Pay-TV churn rate. See "Results of Operations – Pay-TV subscribers" for further information.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

Pay-TV Subscribers

DISH TV subscribers. We lost approximately 392,000 net DISH TV subscribers during the nine months ended September 30, 2021 compared to the loss of approximately 259,000 net DISH TV subscribers during the same period in 2020. This increase in net DISH TV subscriber losses primarily resulted from lower gross new DISH TV subscriber activations, offset by a lower DISH TV churn rate.

SLING TV subscribers. We added approximately 82,000 net SLING TV subscribers during the nine months ended September 30, 2021 compared to the loss of approximately 134,000 net SLING TV subscribers during the same period in 2020. The increase in net SLING TV subscribers was primarily related to higher SLING TV subscriber activations. We continue to experience increased competition, including competition from other subscription video on-demand and live-linear OTT service providers. The nine months ended September 30, 2020 was negatively impacted by delays and cancellations of sporting events as a result of COVID-19.

DISH TV subscribers, gross. During the nine months ended September 30, 2021, we activated approximately 635,000 gross new DISH TV subscribers compared to approximately 859,000 gross new DISH TV subscribers during the same period in 2020, a decrease of 26.1%. This decrease in our gross new DISH TV subscriber activations was primarily related to the lack of demand, as well as increased competitive pressures, including aggressive short term introductory pricing and bundled offers combining broadband, video and/or wireless services and other discounted promotional offers, live-linear OTT service providers, direct-to-consumer offerings by certain of our programmers, and channel removals. In addition, our gross new DISH TV subscriber activations continue to be negatively impacted by stricter customer acquisition policies for our DISH TV subscribers, including an emphasis on acquiring higher quality subscribers. Furthermore, we continue to assess the impact of COVID-19 and cannot predict with certainty the impact to our gross new DISH TV subscribers as a result of, among other things, lower discretionary spending and reduced ability to perform our in-home service operations due to the impact of social distancing.

DISH TV churn rate. Our DISH TV churn rate for the nine months ended September 30, 2021 was 1.32% compared to 1.36% for the same period in 2020. This decrease primarily resulted from the impact of COVID-19 beginning in the second quarter of 2020, including, among other things, the recommendations and/or mandates from federal, state, and local authorities that customers refrain from non-essential movements outside of their homes and the resulting increased consumption of our Pay-TV services. In addition, COVID-19 had an impact on competitive pressures due to, among other things, a reduction in customers' willingness to allow competitors' technicians into their homes. We continue to assess the impact of COVID-19 and cannot predict with certainty the impact to our DISH TV churn rate as a result of, among other things, lower discretionary spending and reduced ability to perform our in-home service operations due to the impact of social distancing. Our DISH TV churn rate was positively impacted by our emphasis on acquiring and retaining higher quality subscribers. Our DISH TV churn rate continues to be adversely impacted by external factors, such as, among other things, increased competitive pressures, including aggressive marketing, bundled discount offers combining broadband, video and/or wireless services and other discounted promotional offers, as well as cord cutting. Our DISH TV churn rate is also impacted by internal factors, such as, among other things, our ability to consistently provide outstanding customer service, price increases, programming interruptions in connection with the scheduled expiration of certain programming carriage contracts, our ability to control piracy and other forms of fraud and the level of our retention efforts.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

Beginning in March 2020, several federal, state, and local government agencies implemented recommendations, guidelines, and orders regarding "social distancing" in an attempt to slow or stop the spread of COVID-19. As a result of these actions, many bars, restaurants, and other commercial establishments were ordered to and in certain cases continue to be recommended and/or ordered to suspend all non-essential "in-person" business operations and/or operate at reduced capacity. In addition, airlines and hotels significantly reduced operations as a result of government actions and/or related lower consumer demand. In an effort to avoid charging commercial customers for services in their establishments which were no longer open to the public, we paused service or provided temporary rate relief for certain of those commercial accounts. For certain commercial accounts, each subscription is counted as one Pay-TV subscriber. For other commercial accounts, as discussed above, we divide our total revenue for these commercial accounts by $34.99, and include the resulting number, which is substantially smaller than the actual number of commercial units served, in our Pay-TV subscriber count. During the first quarter of 2020, we removed 250,000 subscribers from our ending Pay-TV subscriber count for commercial accounts we placed on pause, or received reduced revenue, or for which we anticipate the account to disconnect due to COVID-19. During the second, third and fourth quarters of 2020, 45,000, 35,000 and zero, respectively, of these subscribers came off pause or had temporary rate relief end and 17,000, 5,000 and 47,000, respectively, of these subscribers disconnected. We did not incur any significant expenses in connection with the return of the 80,000 commercial accounts and accordingly, those commercial accounts were added to our ending subscriber count during the periods they returned in 2020 and were not recorded as gross new Pay-TV subscriber activations. During the first quarter of 2021, the remaining commercial accounts representing 101,000 subscribers disconnected.

Service revenue. "Service revenue" totaled $9.542 billion for the nine months ended September 30, 2021, an increase of $86 million or 0.9% compared to the same period in 2020. The increase in "Service revenue" compared to the same period in 2020 was primarily related to an increase in Pay-TV ARPU, discussed below, partially offset by a lower average Pay-TV subscriber base.

Pay-TV ARPU. Pay-TV ARPU was $95.41 during the nine months ended September 30, 2021 versus $90.88 during the same period in 2020. The $4.53 or 5.0% increase in Pay-TV ARPU was primarily attributable to the DISH TV programming package price increases in the first quarter of 2021 and 2020, and the SLING TV programming package price increases in the first quarter of 2021 and 2020, partially offset by an increase in SLING TV subscribers as a percentage of our total Pay-TV subscriber base. SLING TV subscribers on average purchase lower priced programming services than DISH TV subscribers, and therefore, the increase in SLING TV subscribers as a percentage of our total Pay-TV subscriber base had a negative impact on Pay-TV ARPU.

Cost of services. "Cost of services" totaled $5.802 billion during the nine months ended September 30, 2021, a decrease of $37 million or 0.6% compared to the same period in 2020. The decrease in "Cost of services" was primarily attributable to a lower average Pay-TV subscriber base and a decrease in variable and retention costs per subscriber, partially offset by higher programming costs per subscriber. Variable and retention costs per subscriber decreased due to, among other things, increased operational efficiencies, including a focused set of staffing reductions in 2020. Programming costs per subscriber increased during the nine months ended September 30, 2021 due to rate increases in certain of our programming contracts, including the renewal of certain contracts at higher rates, particularly for local broadcast channels. Furthermore, programming costs per subscriber were lower during the three months ended September 30, 2020 due to multiple one-time programming adjustments. "Cost of services" represented 60.8% and 61.7% of "Service revenue" during the nine months ended September 30, 2021 and 2020, respectively.

Selling, general and administrative expenses. "Selling, general and administrative expenses" totaled $1.083 billion during the nine months ended September 30, 2021, a $78 million or 6.7% decrease compared to the same period in 2020. This change was primarily driven by a decrease in subscriber acquisition costs resulting from reduced marketing expenditures and fewer gross new DISH TV subscriber activations, and by cost cutting initiatives in the Pay-TV segment, including a focused set of staffing reductions in 2020.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

DISH TV SAC. DISH TV SAC was $834 during the nine months ended September 30, 2021 compared to $854 during the same period in 2020, a decrease of $20 or 2.3%. This change was primarily attributable to a decrease in hardware costs per activation and higher commercial additions compared to the same period in 2020, partially offset by an increase in advertising costs per subscriber. The decrease in hardware costs per activation primarily resulted from lower average costs per receiver and a higher percentage of remanufactured receivers being activated on new subscriber accounts. Commercial activations historically have lower DISH TV SAC than residential activations, and therefore the increase in commercial activations have a positive impact on DISH TV SAC.

During the nine months ended September 30, 2021 and 2020, the amount of equipment capitalized under our lease program for new DISH TV subscribers totaled $56 million and $120 million, respectively. This decrease in capital expenditures primarily resulted from a decrease in gross new DISH TV subscriber activations and a higher percentage of remanufactured receivers being activated on new subscriber accounts.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

Wireless Segment

Our Wireless business segment operates in two business units, Retail Wireless and 5G Network Deployment. Revenue, operating income (loss) and purchases of property and equipment by business unit are shown in the table below:

For the Three Months Ended September 30, 2021	**Retail Wireless**	**5G Network Deployment**	**Total Wireless**
		(In thousands)	
Total revenue	$ 1,216,292	$ 13,780	$ 1,230,072
Operating income (loss)	$ 85,079	$ (67,104)	$ 17,975
Purchases of property and equipment	$ 17,913	$ 280,890	$ 298,803

For the Nine Months Ended September 30, 2021	**Retail Wireless**	**5G Network Deployment**	**Total Wireless**
		(In thousands)	
Total revenue	$ 3,716,011	$ 45,823	$ 3,761,834
Operating income (loss)	$ 325,505	$ (135,873)	$ 189,632
Purchases of property and equipment	$ 53,416	$ 527,322	$ 580,738

Wireless – Retail Wireless

We entered the retail wireless business in 2020 as a result of the Boost Mobile Acquisition and the Ting Mobile Acquisition and we expanded the business in 2021 through the Republic Wireless Acquisition. See Note 5 in the Notes to our Condensed Consolidated Financial Statements for further information. We offer nationwide prepaid and postpaid retail wireless services to subscribers under our Boost Mobile, Ting Mobile and Republic Wireless brands, as well as a competitive portfolio of wireless devices. LG Electronics Inc., a large provider of wireless devices, recently announced they are closing their mobile business unit. We are working to procure wireless devices from alternative suppliers, however, there can be no assurances we will be able to procure the supply needed to meet subscriber demand and any inability to do so could negatively impact our wireless subscriber activations, retail wireless base and our results of operations. Prepaid wireless subscribers generally pay in advance for monthly access to wireless talk, text, and data services. Postpaid wireless subscribers generally are qualified to pay after receiving wireless talk, text, and data services. We are currently operating our retail wireless business unit as a mobile virtual network operator ("MVNO") while we build our 5G broadband network.

As an MVNO, today we primarily depend on T-Mobile to provide us with network services under the MNSA. In addition, on July 14, 2021, we entered into a ten-year Network Services Agreement (the "NSA") with AT&T to provide us with network services. Under the NSA, we expect AT&T will become our primary network services provider. A substantial portion of our Retail Wireless subscribers currently receive services through T-Mobile's CDMA Network. However, T-Mobile provided notice for the first time in October 2020 that it intends to shutdown the CDMA Network on or around January 1, 2022, which T-Mobile announced on October 22, 2021 will be extended to March 31, 2022. Both dates are significantly earlier than the July 2023 date that T-Mobile had previously communicated to regulators would be the earliest shutdown date. In the event that a shutdown were to occur on this accelerated timeframe, our Retail Wireless operations would be disrupted by, among other things, having our subscribers potentially lose service and/or face increased costs. A forced migration of this scale on this accelerated time frame will potentially leave well over a million low-income Boost subscribers without service. DISH Network is working to mitigate the harms of this shutdown, including by targeted efforts and promotions directed at impacted customers; however, there can be no assurance these attempts will be successful.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

In November 2020, DISH Network sought intervention from the Antitrust Division of the United States Department of Justice ("Division") under the Final Judgment ("FJ") entered by Judge Kelly of the United States District Court for the District of Columbia. On July 9, 2021, the Division issued a letter to DISH Network and T-Mobile in response to DISH Network's request, a copy of which was attached as Exhibit 99.1 to the Form 10-Q for the quarter ended June 30, 2021.

We acquired over 9 million subscribers as a result of the Boost Mobile Acquisition, acquired over 200,000 subscribers as a result of the Ting Mobile Acquisition and acquired over 200,000 subscribers as a result of the Republic Wireless Acquisition. Our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) for the three and nine months ended September 30, 2021 and 2020 includes the results of the Boost Mobile Acquisition from July 1, 2020, the Ting Mobile Acquisition from August 1, 2020 and the Republic Wireless Acquisition from May 1, 2021. As of September 30, 2021, we had 8.774 million retail wireless subscribers.

Currently, we offer wireless subscribers competitive consumer plans with no annual service contracts and monthly service plans including high-speed data and unlimited talk and text.

Competition

Retail Wireless is a mature market with moderate year-over-year organic growth. Competitors include providers who offer similar communication services, such as talk, text and data. Competitive factors within the wireless communications services industry include pricing, market saturation, service and product offerings, customer experience and service quality. We compete with a number of national wireless carriers, including Verizon, AT&T and T-Mobile, all of which are significantly larger than us, serve a significant percentage of all wireless subscribers and enjoy scale advantages compared to us. Verizon, AT&T, and T-Mobile are currently the only nationwide Mobile Network Operators ("MNOs") in the United States.

Primary competitors to our Retail Wireless business unit include, but are not limited to, Metro PCS (owned by T-Mobile), Cricket Wireless (owned by AT&T), Visible (owned by Verizon), Tracfone Wireless and other MVNOs such as Consumer Cellular and Mint Mobile. Verizon announced its pending acquisition of Tracfone Wireless in September 2020.

Wireless – 5G Network Deployment

We have directly invested over $12 billion to acquire certain wireless spectrum licenses and related assets and made over $10 billion in non-controlling investments in certain entities, for a total of over $22 billion. The $22 billion of investments related to wireless spectrum licenses does not include $6 billion of capitalized interest related to the carrying value of such licenses. See Note 2 in the Notes to our Condensed Consolidated Financial Statements for further information on capitalized interest.

DISH Network Spectrum

We have directly invested over $12 billion to acquire certain wireless spectrum licenses and related assets. These wireless spectrum licenses are subject to certain interim and final build-out requirements, as well as certain renewal requirements.

We plan to commercialize our wireless spectrum licenses through our 5G Network Deployment. To that end, we have undertaken several key steps including identifying markets to build out, making executive and management hires and entering into agreements with key vendors. For example, on November 16, 2020, we announced a long-term agreement with Crown Castle pursuant to which Crown Castle will lease us space on up to 20,000 communication towers. As part of the agreement, we will also receive certain fiber transport services and have the option to utilize Crown Castle for pre-construction services. We entered into a similar agreement with American Tower on March 15, 2021 and have also entered into agreements with a number of other tower providers. We have also entered into multiple long-term agreements with vendors including, among others, Amazon, Dell, Fujitsu, Palo Alto and VMware for cloud computing service, radios, software, network security, and other services related to our 5G Network Deployment.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

We currently have over 35 markets under construction, including Las Vegas, Nevada, and also commenced the initial launch of consumer beta service in Las Vegas.

Prior to starting our 5G Network Deployment, we notified the FCC in March 2017 that we planned to deploy a narrowband IoT network on certain of these wireless licenses, which we expected to complete by March 2020, with subsequent phases to be completed thereafter. In light of, among other things, certain developments related to the Sprint/T-Mobile merger, during the first quarter of 2020, we determined that the revision of certain of our build-out deadlines was probable and, therefore, we no longer intended to complete our narrowband IoT deployment.

The FCC issued an Order effectuating the build-out deadline changes contemplated above on September 11, 2020. During the first quarter of 2020, we impaired certain assets that would not be utilized in our 5G Network Deployment, resulting in a $253 million non-cash impairment charge in "Impairment of long-lived assets" on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

We will need to make significant additional investments or partner with others to, among other things, complete our 5G Network Deployment and further commercialize, build-out and integrate these licenses and related assets and any additional acquired licenses and related assets, as well as to comply with regulations applicable to such licenses. Depending on the nature and scope of such activities, any such investments or partnerships could vary significantly. In addition, as we complete our 5G Network Deployment we will incur significant additional expenses and will have to make significant investments related to, among other things, research and development, wireless testing and wireless network infrastructure. We may also determine that additional wireless spectrum licenses may be required to complete our 5G Network Deployment and to compete with other wireless service providers. See Note 2 and Note 11 in the Notes to our Condensed Consolidated Financial Statements for further information.

DISH Network Non-Controlling Investments in the Northstar Entities and the SNR Entities Related to AWS-3 Wireless Spectrum Licenses

During 2015, through our wholly-owned subsidiaries American AWS-3 Wireless II L.L.C. ("American II") and American AWS-3 Wireless III L.L.C. ("American III"), we initially made over $10 billion in certain non-controlling investments in Northstar Spectrum, LLC ("Northstar Spectrum"), the parent company of Northstar Wireless, L.L.C. ("Northstar Wireless," and collectively with Northstar Spectrum, the "Northstar Entities"), and in SNR Wireless HoldCo, LLC ("SNR HoldCo"), the parent company of SNR Wireless LicenseCo, LLC ("SNR Wireless," and collectively with SNR HoldCo, the "SNR Entities"), respectively. On October 27, 2015, the FCC granted certain AWS-3 wireless spectrum licenses (the "AWS-3 Licenses") to Northstar Wireless and to SNR Wireless, respectively, which are recorded in "FCC authorizations" on our Condensed Consolidated Balance Sheets. Under the applicable accounting guidance in Accounting Standards Codification 810, *Consolidation* ("ASC 810"), Northstar Spectrum and SNR HoldCo are considered variable interest entities and, based on the characteristics of the structure of these entities and in accordance with the applicable accounting guidance, we consolidate these entities into our financial statements. See Note 2 in the Notes to our Condensed Consolidated Financial Statements for further information.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

The AWS-3 Licenses are subject to certain interim and final build-out requirements, as well as certain renewal requirements. The Northstar Entities and/or the SNR Entities may need to raise significant additional capital in the future, which may be obtained from third party sources or from us, so that the Northstar Entities and the SNR Entities may commercialize, build-out and integrate these AWS-3 Licenses, comply with regulations applicable to such AWS-3 Licenses, and make any potential Northstar Re-Auction Payment and SNR Re-Auction Payment for the AWS-3 licenses retained by the FCC. Depending upon the nature and scope of such commercialization, build-out and integration efforts, regulatory compliance, and potential Northstar Re-Auction Payment and SNR Re-Auction Payment, any loans, equity contributions or partnerships could vary significantly. See Note 11 in the Notes to our Condensed Consolidated Financial Statements for further information.

We may need to raise significant additional capital in the future to fund the efforts described above, which may not be available on acceptable terms or at all. There can be no assurance that we, the Northstar Entities and/or the SNR Entities will be able to develop and implement business models that will realize a return on these wireless spectrum licenses or that we, the Northstar Entities and/or the SNR Entities will be able to profitably deploy the assets represented by these wireless spectrum licenses, which may affect the carrying amount of these assets and our future financial condition or results of operations. See Note 11 in the Notes to our Condensed Consolidated Financial Statements for further information.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

RESULTS OF OPERATIONS – Wireless Segment – Retail Wireless Business Unit

Three Months Ended September 30, 2021 Compared to the Three Months Ended September 30, 2020.

Statements of Operations Data	For the Three Months Ended September 30, 2021	For the Three Months Ended September 30, 2020	Variance Amount	Variance %
	(In thousands)			
Revenue:				
Service revenue	$ 1,038,042	$ 1,082,570	$ (44,528)	(4.1)
Equipment sales and other revenue	178,250	255,597	(77,347)	(30.3)
Total revenue	1,216,292	1,338,167	(121,875)	(9.1)
Costs and expenses:				
Cost of services	611,607	666,534	(54,927)	(8.2)
% of Service revenue	**58.9 %**	**61.6 %**		
Cost of sales - equipment and other	321,712	481,121	(159,409)	(33.1)
Selling, general and administrative expenses	161,537	111,566	49,971	44.8
% of Total revenue	**13.3 %**	**8.3 %**		
Depreciation and amortization	36,357	44,037	(7,680)	(17.4)
Total costs and expenses	1,131,213	1,303,258	(172,045)	(13.2)
Operating income (loss)	$ 85,079	$ 34,909	$ 50,170	*
Other data:				
Wireless subscribers, as of period end (in millions)	8.774	9.418	(0.644)	(6.8)
Wireless subscriber additions, gross (in millions)	1.098	1.104	(0.006)	(0.5)
Wireless subscriber additions (losses), net (in millions)	(0.121)	(0.212)	0.091	42.9
Wireless ARPU	$ 39.25	$ 38.17	$ 1.08	2.8
Wireless churn rate	4.61 %	4.64 %	(0.03)%	(0.6)
OIBDA	$ 121,436	$ 78,946	$ 42,490	53.8

* Percentage is not meaningful.

The results of the Boost Mobile Acquisition from July 1, 2020, the Ting Mobile Acquisition from August 1, 2020 and the Republic Wireless Acquisition from May 1, 2021 are included in our Retail Wireless business unit. During the third quarter of 2020, we added over 9 million wireless subscribers as a result of the Boost Mobile Acquisition and the Ting Mobile Acquisition. During the second quarter of 2021, we acquired over 200,000 subscribers as a result of the Republic Wireless Acquisition. We are currently in the process of integrating our retail wireless operations and have made and continue to make targeted changes to our marketing, sales, and operations to further enhance our profitability.

Wireless subscribers. We lost approximately 121,000 net Wireless subscribers during the three months ended September 30, 2021 compared to the loss of approximately 212,000 net Wireless subscribers during the same period in 2020. This decrease in net Wireless subscriber losses primarily resulted from operational changes and ongoing optimizations to the existing business during 2021 and 2020. In addition, our net Wireless subscribers continue to be negatively impacted by competitive pressures and wireless device shortages. Furthermore, our net Wireless subscribers have been negatively impacted by T-Mobile's intention to shutdown the CDMA Network significantly earlier than the July 2023 date that T-Mobile had previously communicated to regulators would be the earliest shutdown date.

Service revenue. "Service revenue" totaled $1.038 billion for the three months ended September 30, 2021, a decrease of $45 million or 4.1% compared to the same period in 2020. The decrease in "Service revenue" compared to the same period in 2020 was primarily related to a lower average Wireless subscriber base, partially offset by an increase in Wireless ARPU.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

Equipment sales and other revenue. "Equipment sales and other revenue" totaled $178 million for the three months ended September 30, 2021, a decrease of $77 million or 30.3% compared to the same period in 2020. The decrease in "Equipment sales and other revenue" compared to the same period in 2020 was primarily related to a decrease in the volume of equipment shipped.

Cost of services. "Cost of services" totaled $612 million for the three months ended September 30, 2021, a decrease of $55 million or 8.2% compared to the same period in 2020. The decrease in "Cost of services" was primarily attributable to a lower average Wireless subscriber base.

Cost of sales – equipment and other. "Cost of sales – equipment and other" totaled $322 million for the three months ended September 30, 2021, a decrease of $159 million or 33.1% compared to the same period in 2020. The decrease in "Cost of sales – equipment and other" was primarily related to a decrease in the volume of equipment shipped.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

Nine Months Ended September 30, 2021 Compared to the Nine Months Ended September 30, 2020.

	For the Nine Months Ended September 30,		Variance	
Statements of Operations Data	**2021**	**2020**	**Amount**	**%**
	(In thousands)			
Revenue:				
Service revenue	$ 3,136,016	$ 1,082,570	$ 2,053,446	*
Equipment sales and other revenue	579,995	255,597	324,398	*
Total revenue	3,716,011	1,338,167	2,377,844	*
Costs and expenses:				
Cost of services	1,838,996	666,534	1,172,462	*
% of Service revenue	**58.6 %**	**61.6 %**		
Cost of sales - equipment and other	1,026,446	481,122	545,324	*
Selling, general and administrative expenses	399,498	127,180	272,318	*
% of Total revenue	**10.8 %**	**9.5 %**		
Depreciation and amortization	125,566	44,037	81,529	*
Total costs and expenses	3,390,506	1,318,873	2,071,633	*
Operating income (loss)	$ 325,505	$ 19,294	$ 306,211	*
Other data:				
Wireless subscribers, as of period end (in millions)	8.774	9.418	(0.644)	(6.8)
Wireless subscriber additions, gross (in millions)	3.094	1.104	1.990	*
Wireless subscriber additions (losses), net (in millions)	(0.483)	(0.212)	(0.271)	*
Wireless ARPU	$ 39.08	$ 38.17	$ 0.91	2.4
Wireless churn rate	4.61 %	4.64 %	(0.03)%	(0.6)
OIBDA	$ 451,071	$ 63,331	$ 387,740	*

* Percentage is not meaningful.

The results of the Boost Mobile Acquisition from July 1, 2020, the Ting Mobile Acquisition from August 1, 2020 and the Republic Wireless Acquisition from May 1, 2021 are included in our Retail Wireless business unit. During the third quarter of 2020, we added over 9 million wireless subscribers as a result of the Boost Mobile Acquisition and the Ting Mobile Acquisition. During the second quarter of 2021, we acquired over 200,000 subscribers as a result of the Republic Wireless Acquisition. We are currently in the process of integrating our retail wireless operations and have made and continue to make targeted changes to our marketing, sales, and operations to further enhance our profitability. We lost 483,000 net wireless subscribers for the nine months ended September 30, 2021, primarily as a result of these operational changes, competitive pressures, ongoing optimizations to the existing business and wireless device shortages. Our current results of operations are not necessarily indicative of future results, in part based on the ongoing integration and operational changes we are currently implementing. In addition, we have and continue to face increased competitive pressures, including aggressive competitor marketing, service promotions and deeper wireless device subsidies.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

RESULTS OF OPERATIONS – Wireless Segment – 5G Network Deployment Business Unit

Three Months Ended September 30, 2021 Compared to the Three Months Ended September 30, 2020.

Statements of Operations Data	For the Three Months Ended September 30, 2021	2020	Variance Amount	%
		(In thousands)		
Revenue:				
Equipment sales and other revenue	$ 13,780	$ 3,345	$ 10,435	*
Total revenue	13,780	3,345	10,435	*
Costs and expenses:				
Cost of sales - equipment and other	30,388	3,478	26,910	*
Selling, general and administrative expenses	44,992	24,546	20,446	83.3
Depreciation and amortization	5,504	2,799	2,705	96.6
Total costs and expenses	80,884	30,823	50,061	*
Operating income (loss)	$ (67,104)	$ (27,478)	$ (39,626)	*
Other data:				
Purchases of property and equipment	$ 280,890	$ 21,884	$ 259,006	*
OIBDA	$ (61,600)	$ (24,679)	$ (36,921)	*

* Percentage is not meaningful.

Equipment sales and other revenue. "Equipment sales and other revenue" totaled $14 million for the three months ended September 30, 2021, an increase of $10 million compared to the same period in 2020. This increase primarily resulted from leasing a portion of our 600 MHz spectrum licenses to T-Mobile, which began on September 11, 2020. The spectrum lease with T-Mobile had an original annual value of $56 million during its 42 month term, however we expect this amount to decrease as we exercise our right to terminate individual licenses prior to the end of their term. The specific termination rights vary by license and we exercised our ability to terminate certain licenses in the first quarter of 2021 in accordance with our buildout schedule.

Cost of sales – equipment and other. "Cost of sales – equipment and other" totaled $30 million during the three months ended September 30, 2021, an increase of $27 million compared to the same period in 2020. The increase primarily resulted from an increase in lease expense on communication towers and costs related to our 5G Network Deployment.

Selling, general and administrative expenses. "Selling, general and administrative expenses" totaled $45 million during the three months ended September 30, 2021, a $20 million increase compared to the same period in 2020. This change was primarily driven by an increase in costs to support our 5G Network Deployment.

Purchases of property and equipment. "Purchases of property and equipment" totaled $281 million for the three months ended September 30, 2021, an increase of $259 million compared to the same period in 2020. Capital expenditures for the three months ended September 30, 2021 are related to our 5G Network Deployment. We anticipate expenditures for our 5G Network Deployment to increase substantially throughout the remainder of 2021 as we ramp up the build-out phase of our 5G Network Deployment.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

Nine Months Ended September 30, 2021 Compared to the Nine Months Ended September 30, 2020.

Statements of Operations Data	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020	Variance Amount	Variance %
		(In thousands)		
Revenue:				
Equipment sales and other revenue	$ 45,823	$ 5,726	$ 40,097	*
Total revenue	45,823	5,726	40,097	*
Costs and expenses:				
Cost of sales - equipment and other	51,025	15,669	35,356	*
Selling, general and administrative expenses	118,024	91,831	26,193	28.5
Depreciation and amortization	12,647	9,096	3,551	39.0
Impairment of long-lived assets	—	356,418	(356,418)	*
Total costs and expenses	181,696	473,014	(291,318)	(61.6)
Operating income (loss)	$ (135,873)	$ (467,288)	$ 331,415	70.9
Other data:				
Purchases of property and equipment	$ 527,322	$ 64,805	$ 462,517	*
OIBDA	$ (123,226)	$ (458,192)	$ 334,966	73.1

*Percentage is not meaningful

Equipment sales and other revenue. "Equipment sales and other revenue" totaled $46 million for the nine months ended September 30, 2021, an increase of $40 million compared to the same period in 2020. This increase primarily resulted from leasing a portion of our 600 MHz spectrum licenses to T-Mobile, which began on September 11, 2020. The spectrum lease with T-Mobile had an original annual value of $56 million during its 42 month term, however we expect this amount to decrease as we exercise our right to terminate individual licenses prior to the end of their term. The specific termination rights vary by license and we exercised our ability to terminate certain licenses in the first quarter of 2021 in accordance with our buildout schedule.

Cost of sales – equipment and other. "Cost of sales – equipment and other" totaled $51 million during the nine months ended September 30, 2021, an increase of $35 million compared to the same period in 2020. The increase primarily resulted from an increase in lease expense on communication towers and costs related to our 5G Network Deployment.

Selling, general and administrative expenses. "Selling, general and administrative expenses" totaled $118 million during the nine months ended September 30, 2021, a $26 million increase compared to the same period in 2020. This change was primarily driven by an increase in costs to support our 5G Network Deployment.

Impairment of long-lived assets. "Impairment of long-lived assets" of $356 million during the nine months ended September 30, 2020 resulted from impairments of the T1 satellite and D1 satellites, as well as certain wireless equipment and operating lease assets related to our narrowband IoT deployment which we no longer intend to complete. See Note 2 in the Notes to our Condensed Consolidated Financial Statements for further information.

Purchases of property and equipment. "Purchases of property and equipment" totaled $527 million for the nine months ended September 30, 2021, an increase of $463 million compared to the same period in 2020. Capital expenditures for the nine months ended September 30, 2021 are related to our 5G Network Deployment. We anticipate expenditures for our 5G Network Deployment to increase substantially throughout the remainder of 2021 as we ramp up the build-out phase of our 5G Network Deployment.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

OTHER CONSOLIDATED RESULTS

Three Months Ended September 30, 2021 Compared to the Three Months Ended September 30, 2020.

Statements of Operations Data	For the Three Months Ended September 30, 2021	2020	Variance Amount	%
	(In thousands)			
Operating income (loss)	$ 717,705	$ 811,248	$ (93,543)	(11.5)
Other income (expense):				
Interest income	2,207	1,647	560	34.0
Interest expense, net of amounts capitalized	(4,203)	6,778	(10,981)	*
Other, net	31,069	(13,200)	44,269	*
Total other income (expense)	29,073	(4,775)	33,848	*
Income (loss) before income taxes	746,778	806,473	(59,695)	(7.4)
Income tax (provision) benefit, net	(179,258)	(273,514)	94,256	34.5
Effective tax rate	**24.0 %**	**33.9 %**		
Net income (loss)	567,520	532,959	34,561	6.5
Less: Net income (loss) attributable to noncontrolling interests, net of tax	10,478	28,360	(17,882)	(63.1)
Net income (loss) attributable to DISH Network	$ 557,042	$ 504,599	$ 52,443	10.4

* Percentage is not meaningful.

Interest expense, net of amounts capitalized. "Interest expense, net of amounts capitalized" totaled $4 million during the three months ended September 30, 2021, compared to income of $7 million during the same period in 2020. This change primarily related to a reversal of interest expense previously accrued on uncertain tax positions that was released during the three months ended September 30, 2020. For the three months ended September 30, 2021 and 2020, materially all of our interest expense was capitalized. See Note 2 in the Notes to our Condensed Consolidated Financial Statements for further information.

Other, net. "Other, net" income totaled $31 million during the three months ended September 30, 2021, an increase of $44 million compared to the same period in 2020. This change primarily resulted from a favorable determination pursuant to the arbitration procedures under our APA with T-Mobile with respect to the disputed net working capital items, resulting in a gain of $39 million. See Note 5 in the Notes to our Condensed Consolidated Financial Statements for further information.

Income tax (provision) benefit, net. Our income tax provision was $179 million during the three months ended September 30, 2021, a decrease of $94 million compared to the same period in 2020. The decrease in the provision was primarily related to a decrease in "Income (loss) before income taxes" and a decrease in our effective tax rate. Our effective tax rate for the three months ended September 30, 2020 was higher due to non-recurring state tax rate changes applied to our deferred taxes as a result of the Boost Mobile Acquisition, partially offset by a benefit recognized for the carryback of net operating losses under The Coronavirus Aid Relief and Economic Security Act (the "CARES Act").

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

Nine Months Ended September 30, 2021 Compared to the Nine Months Ended September 30, 2020.

Statements of Operations Data	For the Nine Months Ended September 30, 2021	For the Nine Months Ended September 30, 2020	Variance Amount	Variance %
		(In thousands)		
Operating income (loss)	$ 2,489,019	$ 1,592,976	$ 896,043	56.2
Other income (expense):				
Interest income	7,463	21,440	(13,977)	(65.2)
Interest expense, net of amounts capitalized	(11,901)	(20,322)	8,421	41.4
Other, net	18,598	(11,592)	30,190	*
Total other income (expense)	14,160	(10,474)	24,634	*
Income (loss) before income taxes	2,503,179	1,582,502	920,677	58.2
Income tax (provision) benefit, net	(612,645)	(469,864)	(142,781)	(30.4)
Effective tax rate	**24.5 %**	**29.7 %**		
Net income (loss)	1,890,534	1,112,638	777,896	69.9
Less: Net income (loss) attributable to noncontrolling interests, net of tax	32,221	82,597	(50,376)	(61.0)
Net income (loss) attributable to DISH Network	$ 1,858,313	$ 1,030,041	$ 828,272	80.4

*Percentage is not meaningful

Interest income. "Interest income" totaled $7 million during the nine months ended September 30, 2021, a decrease of $14 million or 65.2% compared to the same period in 2020. This decrease primarily resulted from lower percentage returns earned on our cash and marketable investment securities, partially offset by higher average cash and marketable investment securities balances during the nine months ended September 30, 2021.

Interest expense, net of amounts capitalized. "Interest expense, net of amounts capitalized" totaled $12 million during the nine months ended September 30, 2021, a decrease in expense of $8 million compared to the same period in 2020 as a result of decreased interest expense not eligible for capitalization. For the nine months ended September 30, 2021 and 2020, materially all of our interest expense was capitalized. See Note 2 in the Notes to our Condensed Consolidated Financial Statements for further information.

Other, net. "Other, net" income totaled $19 million during the nine months ended September 30, 2021, an increase of $30 million compared to the same period in 2020. This change primarily resulted from a favorable determination pursuant to the arbitration procedures under our APA with T-Mobile with respect to the disputed net working capital items, resulting in a gain of $39 million, partially offset by a $9 million decrease in the fair value of our option to purchase certain of T-Mobile's 800 MHz spectrum licenses under the Spectrum Purchase Agreement. See Note 5 in the Notes to our Condensed Consolidated Financial Statements for further information.

Income tax (provision) benefit, net. Our income tax provision was $613 million during the nine months ended September 30, 2021, an increase of $143 million compared to the same period in 2020. The increase in the provision was primarily related to an increase in "Income (loss) before income taxes," partially offset by a decrease in our effective tax rate. Our effective tax rate for the nine months ended September 30, 2020 was higher due to non-recurring state tax rate changes applied to our deferred taxes as a result of the Boost Mobile Acquisition, partially offset by a benefit recognized for the carryback of net operating losses under the CARES Act.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

Non-GAAP Performance Measures and Reconciliation

It is management's intent to provide non-GAAP financial information to enhance the understanding of our GAAP financial information, and it should be considered by the reader in addition to, but not instead of, the financial statements prepared in accordance with GAAP. Each non-GAAP financial measure is presented along with the corresponding GAAP measure so as not to imply that more emphasis should be placed on the non-GAAP measure. We believe that providing these non-GAAP measures in addition to the GAAP measures allows management, investors and other users of our financial information to more fully and accurately assess both consolidated and segment performance. The non-GAAP financial information presented may be determined or calculated differently by other companies and may not be directly comparable to that of other companies.

Consolidated EBITDA

Consolidated EBITDA is not a measure determined in accordance with GAAP and should not be considered a substitute for operating income, net income or any other measure determined in accordance with GAAP. Consolidated EBITDA is used as a measurement of operating efficiency and overall financial performance and we believe it is a helpful measure for those evaluating operating performance in relation to our competitors. Conceptually, EBITDA measures the amount of income generated each period that could be used to service debt, pay taxes and fund capital expenditures. EBITDA should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP.

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2021	2020	2021	2020
	(In thousands)			
Net income (loss) attributable to DISH Network	$ 557,042	$ 504,599	$ 1,858,313	$ 1,030,041
Interest, net	1,996	(8,425)	4,438	(1,118)
Income tax provision (benefit), net	179,258	273,514	612,645	469,864
Depreciation and amortization	177,291	199,083	554,066	518,027
Consolidated EBITDA	$ 915,587	$ 968,771	$ 3,029,462	$ 2,016,814

The changes in Consolidated EBITDA during the three and nine months ended September 30, 2021, compared to the same periods in 2020, were primarily a result of the factors described in connection with operating revenues and operating expenses, including the negative impact of "Impairment of long-lived assets" of $356 million during the nine months ended September 30, 2020.

Segment OIBDA

Segment OIBDA, which is presented below, is a non-GAAP measure and does not purport to be an alternative to operating income (loss) as a measure of operating performance. We believe this measure is useful to management, investors and other users of our financial information in evaluating operating profitability of our business units on a more variable cost basis as it excludes the depreciation and amortization expenses related primarily to capital expenditures and acquisitions for those business units, as well as in evaluating operating performance in relation to our competitors. Segment OIBDA is calculated by adding back depreciation and amortization expense to business unit operating income (loss). See Note 12 to the Notes to our Condensed Consolidated Financial Statements for further information.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2021	2020	2021	2020
	(In thousands)			
Segment operating income (loss)	$ 699,730	$ 803,817	$ 2,299,387	$ 2,040,970
Depreciation and amortization	135,430	152,247	415,853	464,894
Pay-TV OIBDA	$ 835,160	$ 956,064	$ 2,715,240	$ 2,505,864
Segment operating income (loss)	$ 85,079	$ 34,909	$ 325,505	$ 19,294
Depreciation and amortization	36,357	44,037	125,566	44,037
Retail Wireless OIBDA	$ 121,436	$ 78,946	$ 451,071	$ 63,331
Segment operating income (loss)	$ (67,104)	$ (27,478)	$ (135,873)	$ (467,288)
Depreciation and amortization	5,504	2,799	12,647	9,096
5G Network Deployment OIBDA	$ (61,600)	$ (24,679)	$ (123,226)	$ (458,192)
Consolidated operating income (loss)	$ 717,705	$ 811,248	$ 2,489,019	$ 1,592,976
Depreciation and amortization	177,291	199,083	554,066	518,027
Consolidated OIBDA	$ 894,996	$ 1,010,331	$ 3,043,085	$ 2,111,003

The changes in OIBDA during the three and nine months ended September 30, 2021, compared to the same period in 2020, were primarily a result of the factors described in connection with operating revenues and operating expenses, including the negative impact of "Impairment of long-lived assets" of $356 million during the nine months ended September 30, 2020.

LIQUIDITY AND CAPITAL RESOURCES

Cash, Cash Equivalents and Current Marketable Investment Securities

We consider all liquid investments purchased within 90 days of their maturity to be cash equivalents. See Note 6 in the Notes to our Condensed Consolidated Financial Statements for further information regarding our marketable investment securities. As of September 30, 2021, cash equivalents and current marketable investment securities totaled $5.248 billion compared to $3.733 billion as of December 31, 2020, an increase of $1.515 billion. This increase in cash, cash equivalents and current marketable investment securities primarily resulted from cash generated from operating activities of $3.260 billion, $1.490 billion in net proceeds from the issuance of our 5 1/8% Senior Notes due 2029 and a $337 million deposit refund from our participation in Auction 107. These increases were partially offset by the repurchases and redemption of our 6 3/4% Senior Notes due 2021 with an aggregate principal balance of $2.0 billion and capital expenditures of $1.389 billion (including capitalized interest related to FCC authorizations).

Cash Flow

The following discussion highlights our cash flow activities during the nine months ended September 30, 2021.

Cash flows from operating activities

For the nine months ended September 30, 2021, we reported "Net cash flows from operating activities" of $3.260 billion primarily attributable to $3.022 billion of "Net income (loss)" adjusted to exclude the non-cash items for "Depreciation and amortization" expense, "Realized and unrealized losses (gains) on investments and derivatives and other," "Non-cash, stock-based compensation" expense, and "Deferred tax expense (benefit)." In addition, "Net cash flows from operating activities" was impacted by the timing difference between book expense and cash payments, including income taxes.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

Cash flows from investing activities

For the nine months ended September 30, 2021, we reported outflows from "Net cash flows from investing activities" of $3.837 billion primarily related to $2.621 billion in net purchases of marketable investment securities and capital expenditures of $1.389 billion (including capitalized interest primarily related to FCC authorizations). The capital expenditures included $677 million of capitalized interest related to FCC authorizations, $581 million of capital expenditures for our Retail Wireless and 5G Network Deployment business units, $81 million for new and existing DISH TV subscriber equipment and $50 million of other corporate capital expenditures. These increases were partially offset by a $337 million deposit refund from our participation in Auction 107.

Cash flows from financing activities

For the nine months ended September 30, 2021, we reported outflows from "Net cash flows from financing activities" of $532 million primarily related to the repurchases and redemption of our 6 3/4% Senior Notes due 2021 with an aggregate principal balance of $2.0 billion, partially offset by $1.490 billion in net proceeds from the issuance of our 5 1/8% Senior Notes due 2029.

Free Cash Flow

We define free cash flow as "Net cash flows from operating activities" less "Purchases of property and equipment," and "Capitalized interest related to FCC authorizations," as shown on our Condensed Consolidated Statements of Cash Flows. We believe free cash flow is an important liquidity metric because it measures, during a given period, the amount of cash generated that is available to repay debt obligations, make investments (including strategic wireless investments), fund acquisitions and for certain other activities. Free cash flow is not a measure determined in accordance with GAAP and should not be considered a substitute for "Operating income," "Net income," "Net cash flows from operating activities" or any other measure determined in accordance with GAAP. Since free cash flow includes investments in operating assets, we believe this non-GAAP liquidity measure is useful in addition to the most directly comparable GAAP measure "Net cash flows from operating activities."

Free cash flow can be significantly impacted from period to period by changes in "Net income (loss)" adjusted to exclude certain non-cash charges, operating assets and liabilities, "Purchases of property and equipment," and "Capitalized interest related to FCC authorizations." These items are shown in the "Net cash flows from operating activities" and "Net cash flows from investing activities" sections on our Condensed Consolidated Statements of Cash Flows included herein. Operating asset and liability balances can fluctuate significantly from period to period and there can be no assurance that free cash flow will not be negatively impacted by material changes in operating assets and liabilities in future periods, since these changes depend upon, among other things, management's timing of payments and control of inventory levels, and cash receipts. In addition to fluctuations resulting from changes in operating assets and liabilities, free cash flow can vary significantly from period to period depending upon, among other things, subscriber additions (losses), service revenue, subscriber churn, subscriber acquisition and retention costs including amounts capitalized under our equipment lease programs for DISH TV subscribers, operating efficiencies, increases or decreases in purchases of property and equipment, expenditures related to the commercialization of our 5G Network Deployment and other factors.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

The following table reconciles free cash flow to "Net cash flows from operating activities."

	For the Nine Months Ended September 30,	
	2021	2020
	(In thousands)	
Net cash flows from operating activities	$ 3,259,667	$ 2,717,691
Purchases of property and equipment (including capitalized interest related to FCC authorizations)	(1,389,311)	(955,814)
Free cash flow	$ 1,870,356	$ 1,761,877

Operational Liquidity

We make general investments in property such as satellites, wireless devices, set-top boxes, information technology and facilities that support our Pay-TV segment and Retail Wireless business unit. We are also making significant additional investments and will need to continue making these investments and/or partner with others to, among other things, complete our 5G Network Deployment and further commercialize, build-out, and integrate our wireless spectrum licenses and related assets. Moreover, since we are primarily a subscriber-based company, we also make subscriber-specific investments to acquire new subscribers and retain existing subscribers. While the general investments may be deferred without impacting the business in the short-term, the subscriber-specific investments are less discretionary. Our overall objective is to generate sufficient cash flow over the life of each subscriber to provide an adequate return against the upfront investment. Once the upfront investment has been made for each subscriber, the subsequent cash flow is generally positive, but there can be no assurances that over time we will recoup or earn a return on the upfront investment.

There are a number of factors that impact our future cash flow compared to the cash flow we generate at a given point in time. The first factor is our churn rate and how successful we are at retaining our current subscribers. To the extent we lose subscribers from our existing base, the positive cash flow from that base is correspondingly reduced. The second factor is how successful we are at maintaining our service margins. To the extent our "Cost of services" grow faster than our "Service revenue," the amount of cash flow that is generated per existing subscriber is reduced. Our Pay-TV service margins have been reduced by, among other things, a shift to lower priced Pay-TV programming packages and higher programming costs. Our Retail Wireless service margins are impacted by our MNSA agreement with T-Mobile and the speed with which we are able to convert retail wireless subscribers onto our 5G Network once operational. The third factor is the rate at which we acquire new subscribers. The faster we acquire new subscribers, the more our positive ongoing cash flow from existing subscribers is offset by the negative upfront cash flow associated with acquiring new subscribers. Conversely, the slower we acquire subscribers, the more our operating cash flow is enhanced in that period. Finally, our future cash flow is impacted by the rate at which we complete our 5G Network Deployment, incur litigation expense, and any cash flow from financing activities. We anticipate expenditures for our 5G Network Deployment to increase substantially during 2021 and in future periods. As a result, our current cash flow is not necessarily indicative of our future cash flows. In addition, declines in our Pay-TV subscriber base and subscriber related-margins continue to negatively impact our cash flow, and there can be no assurances that these declines will not continue.

Subscriber Base – Pay TV Segment and Retail Wireless Business Unit

See "Results of Operations" above for further information.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

Subscriber Acquisition and Retention Costs

We incur significant upfront costs to acquire subscribers, including advertising, independent third-party retailer incentives, payments made to third-parties, equipment and wireless device subsidies, installation services, and/or new customer promotions. While we attempt to recoup these upfront costs over the lives of their subscription, there can be no assurance that we will be successful in achieving that objective. With respect to our DISH TV services, we employ business rules such as minimum credit requirements for prospective customers and contractual commitments to receive service for a minimum term. We strive to provide outstanding customer service to increase the likelihood of customers keeping their Pay-TV services over longer periods of time. Subscriber acquisition costs for SLING TV subscribers are significantly lower than those for DISH TV subscribers. Our subscriber acquisition costs for our Retail Wireless subscribers are primarily related to subsidies on wireless devices. Our subscriber acquisition costs may vary significantly from period to period.

We incur significant costs to retain our existing DISH TV subscribers, mostly as a result of upgrading their equipment to next generation receivers, primarily including our Hopper receivers, and by providing retention credits. As with our subscriber acquisition costs, our retention upgrade spending includes the cost of equipment and installation services. In certain circumstances, we also offer programming at no additional charge and/or promotional pricing for limited periods to existing customers in exchange for a contractual commitment to receive service for a minimum term. A component of our retention efforts includes the installation of equipment for customers who move. Retention costs for Retail Wireless subscribers are primarily related to promotional pricing on upgraded wireless devices for qualified existing subscribers. Our DISH TV subscriber retention costs may vary significantly from period to period.

Seasonality

Historically, the first half of the year generally produces fewer gross new DISH TV subscriber activations than the second half of the year, as is typical in the pay-TV industry. In addition, the first and fourth quarters generally produce a lower DISH TV churn rate than the second and third quarters. However, in recent years, as the pay-TV industry has matured, we and our competitors increasingly must seek to attract a greater proportion of new subscribers from each other's existing subscriber bases rather than from first-time purchasers of pay-TV services. As a result, historical trends in seasonality described above may not be indicative of future trends.

Our net SLING TV subscriber additions are impacted by, among other things, certain major sporting events and other major television events. The first and third quarters generally produce higher gross new Retail Wireless subscribers. Due to the COVID-19 pandemic the historical trends discussed above, for both net Pay-TV subscriber additions and net Retail Wireless subscriber additions, may not be indicative of future trends.

Satellites

Operation of our DISH TV services requires that we have adequate satellite transmission capacity for the programming that we offer. Moreover, competitive conditions may require that we expand our offering of new programming. While we generally have had in-orbit satellite capacity sufficient to transmit our existing channels and some backup capacity to recover the transmission of certain critical programming, our backup capacity is limited. In the event of a failure or loss of any of our owned or leased satellites, we may need to acquire or lease additional satellite capacity or relocate one of our other satellites and use it as a replacement for the failed or lost satellite. Such a failure could result in a prolonged loss of critical programming or a significant delay in our plans to expand programming as necessary to remain competitive and cause us to expend a significant portion of our cash to acquire or lease additional satellite capacity.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

Covenants and Restrictions Related to our Long-Term Debt

We are subject to the covenants and restrictions set forth in the indentures related to our long-term debt. In particular, the indentures related to our outstanding senior notes issued by DISH DBS Corporation ("DISH DBS") contain restrictive covenants that, among other things, impose limitations on the ability of DISH DBS and its restricted subsidiaries to: (i) incur additional indebtedness; (ii) enter into sale and leaseback transactions; (iii) pay dividends or make distributions on DISH DBS' capital stock or repurchase DISH DBS' capital stock; (iv) make certain investments; (v) create liens; (vi) enter into certain transactions with affiliates; (vii) merge or consolidate with another company; and (viii) transfer or sell assets. Should we fail to comply with these covenants, all or a portion of the debt under the senior notes and our other long-term debt could become immediately payable. The senior notes also provide that the debt may be required to be prepaid if certain change-in-control events occur. In addition, the Convertible Notes provide that, if a "fundamental change" (as defined in the related indenture) occurs, holders may require us to repurchase for cash all or part of their Convertible Notes. As of the date of filing of this Quarterly Report on Form 10-Q, we and DISH DBS were in compliance with the covenants and restrictions related to our respective long-term debt.

Other

We are also vulnerable to fraud, particularly in the acquisition of new subscribers. While we are addressing the impact of subscriber fraud through a number of actions, there can be no assurance that we will not continue to experience fraud, which could impact our subscriber growth and churn. Economic weakness may create greater incentive for signal theft, piracy and subscriber fraud, which could lead to higher subscriber churn and reduced revenue.

Obligations and Future Capital Requirements

Contractual Obligations

See Note 11 in the Notes to our Condensed Consolidated Financial Statements for further information.

Future Capital Requirements

We expect to fund our future working capital, capital expenditures and debt service requirements from cash generated from operations, existing cash, cash equivalents and marketable investment securities balances, and cash generated through raising additional capital. We will need to make significant additional investments to, among other things, complete our 5G Network Deployment and further commercialize, build-out and integrate our wireless spectrum licenses and related assets. The amount of capital required to fund our future working capital and capital expenditure needs varies, depending on, among other things, the rate at which we deploy our 5G network and the rate at which we acquire new subscribers and the cost of subscriber acquisition and retention, including capitalized costs associated with our new and existing subscriber equipment lease programs.

Certain of our capital expenditures for 2021 are expected to be driven by the rate at which we deploy our 5G network as well as costs associated with subscriber premises equipment. These expenditures are necessary for the deployment of our 5G network as well as to operate and maintain our DISH TV services. Consequently, we consider them to be non-discretionary. Our capital expenditures vary depending on the number of satellites leased or under construction at any point in time and could increase materially as a result of increased competition, significant satellite failures, or economic weakness and uncertainty. Our DISH TV subscriber base has been declining and there can be no assurance that our DISH TV subscriber base will not continue to decline and that the pace of such decline will not accelerate. In the event that our DISH TV subscriber base continues to decline, it will have a material adverse long-term effect on our cash flow. In addition, the Northstar and SNR Operative Agreements, as amended, provide for, among other things, the SNR Put Right and the Northstar Put Right for a purchase price that equals the equity contribution to Northstar Spectrum and SNR HoldCo, respectively, plus a fixed annual rate of return. As of September 30, 2021, Northstar Manager's ownership interest in Northstar Spectrum and SNR Management's ownership interest in SNR HoldCo was $382 million, recorded as "Redeemable noncontrolling interests" on our Condensed Consolidated Balance Sheets.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS – Continued

We expect to incur significant capital expenditures in 2021 related to our 5G Network Deployment, including capital expenditures associated with our wireless projects and 5G Network Deployment, and potential purchase of additional wireless spectrum licenses. The amount of capital required will also depend on the levels of investment necessary to support potential strategic initiatives that may arise from time to time. These factors, including a reduction in our available future cash flows, could require that we raise additional capital in the future.

Volatility in the financial markets has made it more difficult at times for issuers of high-yield indebtedness, such as us, to access capital markets at acceptable terms. These developments may have a significant effect on our cost of financing and our liquidity position.

Boost Mobile Acquisition

See Note 5 in the Notes to our Condensed Consolidated Financial Statements for further information.

Wireless – 5G Network Deployment

See Note 11 in the Notes to our Condensed Consolidated Financial Statements for further information.

Availability of Credit and Effect on Liquidity

The ability to raise capital has generally existed for us despite economic weakness and uncertainty. While modest fluctuations in the cost of capital will not likely impact our current operational plans, significant fluctuations could have a material adverse effect on our business, results of operations and financial condition.

Debt Issuances and Maturity

On May 24, 2021, we issued $1.5 billion aggregate principal amount of our 5 1/8% Senior Notes due June 1, 2029. Interest accrues at an annual rate of 5 1/8% and is payable semi-annually in cash, in arrears on June 1 and December 1 of each year, commencing on December 1, 2021.

Our 6 3/4% Senior Notes due 2021 with an aggregate principal balance of $2.0 billion were repurchased or redeemed as of June 1, 2021.

Our 5 7/8% Senior Notes due 2022 with an aggregate principal balance of $2.0 billion mature on July 15, 2022. We expect to fund this obligation from cash and marketable investment securities balances at that time. But, depending on market conditions, we may refinance this obligation in whole or in part.

Off-Balance Sheet Arrangements

We generally do not engage in off-balance sheet financing activities.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in our market risk during the nine months ended September 30, 2021. For additional information, see Item 7A. Quantitative and Qualitative Disclosures About Market Risk in Part II of our Annual Report on Form 10-K for the year ended December 31, 2020.

Item 4. CONTROLS AND PROCEDURES

Conclusion regarding disclosure controls and procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934) as of the end of the period covered by this report. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

Changes in internal control over financial reporting

There has been no change in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934) during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. However, we are continually monitoring the COVID-19 pandemic and any potential impact to our internal controls.

PART II — OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

See Note 11 “*Commitments and Contingencies – Litigation*” in the Notes to our Condensed Consolidated Financial Statements for information regarding certain legal proceedings in which we are involved.

Item 1A. RISK FACTORS

Item 1A, “Risk Factors,” of our Annual Report on Form 10-K for the year ended December 31, 2020 includes a detailed discussion of our risk factors.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities

The following table provides information regarding repurchases of our Class A common stock from July 1, 2021 through September 30, 2021:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs	Maximum Approximate Dollar Value of Shares that May Yet be Purchased Under the Programs (1)
		(In thousands, except share data)		
July 1, 2021 - July 31, 2021	—	$ —	—	$ 1,000,000
August 1, 2021 - August 31, 2021	—	$ —	—	$ 1,000,000
September 1, 2021 - September 30, 2021	—	$ —	—	$ 1,000,000
Total	—	$	—	$ 1,000,000

(1) On November 1, 2021, our Board of Directors authorized stock repurchases of up to $1.0 billion of our outstanding Class A common stock through and including December 31, 2022. Purchases under our repurchase program may be made through open market purchases, privately negotiated transactions, or Rule 10b5-1 trading plans, subject to market conditions and other factors. We may elect not to purchase the maximum amount of shares allowable under this program and we may also enter into additional share repurchase programs authorized by our Board of Directors.

Item 6. EXHIBITS

(a) *Exhibits.*

31.1* Section 302 Certification of Chief Executive Officer.

31.2* Section 302 Certification of Chief Financial Officer.

32.1* Section 906 Certification of Chief Executive Officer.

32.2* Section 906 Certification of Chief Financial Officer.

10.1* Network Services Agreement, dated as of July 14, 2021, by and among DISH Wireless L.L.C. and AT&T Mobility LLC.**

101* The following materials from the Quarterly Report on Form 10-Q of DISH Network for the quarter ended September 30, 2021 filed on November 4, 2021, formatted in Inline eXtensible Business Reporting Language (“iXBRL”): (i) Condensed Consolidated Balance Sheets, (ii) Condensed Consolidated Statements of Operations and Comprehensive Income (Loss), (iii) Condensed Consolidated Statements of Changes in Stockholders’ Equity (Deficit), (iv) Condensed Consolidated Statements of Cash Flows and (v) related notes to these financial statements.

104* Cover Page Interactive Data File (the cover page XBRL tags are embedded in the Inline XBRL document).

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* Filed herewith.

** Certain portions of this exhibit have been omitted as the Registrant has determined (i) the omitted information is not material and (ii) is the type that the Company treats as private or confidential.

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.

DISH NETWORK CORPORATION

By: /s/ *W. Erik Carlson*
W. Erik Carlson
President and Chief Executive Officer
(Duly Authorized Officer)

By: */s/ Paul W. Orban*
Paul W. Orban
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

By: */s/ James S. Allen*
James S. Allen
Senior Vice President and Chief Accounting Officer
(Principal Accounting Officer)

Date: November 4, 2021

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS EXHIBIT, MARKED BY [***], HAS BEEN OMITTED FROM THIS EXHIBIT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) IS THE TYPE THE COMPANY TREATS AS PRIVATE OR CONFIDENTIAL.

NETWORK SERVICES AGREEMENT

DISH	**AT&T Mobility LLC**
Legal Name: **DISH Wireless L.L.C. ("DISH")** Type of Entity: **a Colorado limited liability company**	AT&T Mobility LLC **("AT&T Mobility" or "AT&T")** Type of Entity: **a limited liability company**
DISH Address (For Official Notices)	**AT&T Mobility Address (For Official Notices)**
5701 S. Santa Fe Dr. Littleton CO, 80120 Attn: EVP, Chief Commercial Officer ***With a copy to***: 5701 S. Santa Fe Dr. Littleton CO, 80120 Attn: Office of the General Counsel	AT&T Mobility LLC 1025 Lenox Park Blvd. Atlanta, GA 30319 Attn: Vice President – National MVNO
DISH Contact	**AT&T Mobility Contact**
Name: [***] Title: Vice President Retail Wireless Operations Telephone: [***] E-mail: [***]	Name: [***] Title: Vice President Business Development Telephone: [***] E-mail: [***]
DISH Billing Address	
DISH Wireless L.L.C. Atten: Accounts Payable [***]Englewood CO 80155 E-mail: [***]	

This Agreement is entered into between DISH and AT&T Mobility, on behalf of itself and its AT&T Affiliates, and consists of this Cover Page, the Terms and Conditions, Schedule 1A (MVNO On-Net Pricing), Schedule 1B (MVNO Off-Net Domestic Roaming), Schedule 1C ([***]), Schedule 1D ([***]), Schedule 2 (Offshore Locations), Schedule 3A (Covered Device Certification), Schedule 3B (Covered Device Types), Schedule 4 (Information Security Requirements [***]), Schedule 6 (Inbound Roaming Schedule), Schedule 7 (Prepaid MVNO [***] Launch Functionality), Schedule 8 ([***]), and all reseller policies issued in accordance with the Terms and Conditions (collectively, this "**Agreement**"). Schedule 5 is reserved.

*This Agreement is effective as of July 14, 2021 (the "**Effective Date**" and continues in effect until December 31, 2031 ("**Term**"), unless earlier terminated in accordance with the provisions of this Agreement.*

EACH PARTY'S SIGNATURE BELOW ACKNOWLEDGES THAT SUCH PARTY HAS READ AND UNDERSTANDS EACH OF THE PROVISIONS OF THIS AGREEMENT AND AGREES TO BE BOUND BY THEM.

DISH Wireless L.L.C.	**AT&T Mobility LLC** By AT&T Mobility Corporation, its Manager
By:_____________________________ (Authorized Signature)	By:_____________________________ (Authorized Signature)
Name: [***] Title: EVP and Group President, Retail Wireless Date: __________________________	Name: [***] Title: EVP and GM Mobility Date: __________________________

Signature Page to Network Services Agreement

NETWORK SERVICES AGREEMENT
TERMS AND CONDITIONS

ARTICLE I
DEFINITIONS

The following terms when used herein shall have the following meanings:

1. **"3G"** means the third generation of mobile communications technology using the Universal Mobile Telecommunications System (UMTS) standard and featuring a high degree of commonality of design worldwide, compatibility of services, use of small pocket devices with worldwide roaming capability, Internet and other multimedia applications, and a wide range of services and devices.

2. **"4G"** means the fourth generation of mobile communications technology providing mobile broadband Internet access based on HSPA+ and/or LTE technology.

3. **"5G"** means the fifth generation of mobile communications technology providing mobile broadband Internet access.

4. **"5G NSA"** (**"5G Non-Standalone (NSA) Wireless Services"**) has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

5. **"5G SA"** (**"5G Stand-Alone (SA) Wireless Services"**) has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

6. **"[***] Commitment"** has the meaning given in Article II, Section 3(a) (DISH [***] Commitment).

7. **"Abuse of Service"** has the meaning given in Article X, Section 2 (Abuse of Service).

8. **"Access Point Name" ("APN")** means the name of an access point for a cellular data network where an access point defines the Internet network to which a Covered Device can be connected. A specific set of settings are used for the APN connection and are defined as an option in a set of configurations in a Covered Device.

9. **"Acting Party"** has the meaning given in Article IX, Section 1 (Acts of Others).

10. **"Active"** has the meaning given in Article IV, Section 4 ([***]).

11. **"Active End User"** means an End User whose status code in either AT&T Mobility's or its designated authorized Real Time Metered Service platform is active at any time during the billing period.

12. **"[***]"** has the meaning given in Section 3(c)(i) [***] of Schedule 1A (MVNO On-Net Pricing).

13. **"[***]"** has the meaning given in Article III, Section 14[***]).

14. **"Affiliate"** means, with respect to a Person, any Person that, through one or more intermediaries, Controls, is Controlled by or is under common Control with such Person. An entity will be considered an Affiliate only for so long as such Control exists.

15. **“Agreement”** has the meaning given on the cover page.

16. **“[***] Surplus”** has the meaning given in Article II, Section 3(b) (Spend Commitment).

17. **“Application” (“App”)** means an executable program containing instructions (such as bytecode) that is a downloadable vehicle that may render and store Content.

18. **“Assigning Party”** has the meaning given in Article XVI, Section 3 (Assignment).

19. **“AT&T”** has the meaning given on the first page of this Agreement.

20. **“AT&T Affiliates”** means AT&T Mobility and all of their subsidiaries and Affiliates within the United States that provide a wide variety of communications, broadband, and video services nationwide and own and control the AT&T brand and the intellectual property, trademarks, and service marks, to the extent such companies provide Services or supporting functions related to the Services in the Covered Territories. [***].

21. **“[***]”** has the meaning given in Article V, Section 12 ([***]).

22. **“AT&T Device Specifications”** has the meaning given in Schedule 3A (Covered Device Certification).

23. **“AT&T Mobile Data Plans”** means all [***].

24. **“AT&T Mobility”** has the meaning given on the first page of this Agreement.

25. **“[***] Claim”** has the meaning given in Article VII (Advertising and Promotion).

26. **“AT&T Network Facilities”** means all telecommunications switching equipment, base station transceiver equipment, remote radio units and antennas, and other equipment, software and technology operated and maintained by AT&T Mobility [***].

27. **“[***]”** has the meaning given in Article II, Section 2(a) (Spectrum Use Agreement).

28. **“AT&T Systems”** means a non-public, non-network system or interface operated and maintained by AT&T Mobility (or any applicable AT&T Affiliate or third party contractor), made available via API or direct access to DISH by AT&T Mobility to provide wireless services and support to End Users for [***].

29. **“AT&T Third Party Roaming Partner”** (i) for purposes of Schedule 1C [***], has the meaning given in Section 5 of Schedule 1C; and (ii) for all other purposes, has the meaning given in Article II, Section 8 ([***] Roaming).

30. **“AT&T Unlimited Mobile Data Plans”** means all [***].

31. **“[***]”** has the meaning given in Article V, Section 11 ([***]).

32. **“Authorized Data Services”** has the meaning given in Article III, Section 12 (Authorized Data Services).

33. **“Authorized Roamer”** has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

34. **“[***]Spectrum”** means DISH (or DISH’s Affiliate’s) FCC licensed [***]

35. **“[***]Spectrum”** means DISH (or DISH’s Affiliate’s) FCC licensed [***]

36. **“BEA”** means any basic economic area (as may be found at the Economic Areas (BEA) 1990 section at https://www.fcc.gov/oet/maps/areas or at https://transition.fcc.gov/bureaus/oet/info/maps/areas/maps/bea.pdf)

37. **“Bulk Messages”** means DISH MVNO Subscriber SMS messages originated from or terminated on an external platform that connects to a SMSC to engage in sending and/or receiving a high volume of messages.

38. **“Business Day” –**means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other government action to close.

39. **“BYOD”** (**“Bring Your Own Device”**) means Covered Devices that DISH’s (and DISH’s Affiliates’) End Users provide for their own use and for which DISH or its applicable Affiliate(s) provides a SIM or eSIM for activation on AT&T Mobility’s network.

40. **“CALEA”** means the Communications Assistance for Law Enforcement Act.

41. **“Capital Stock”** means any and all shares, interests, participations, rights or other equivalents, however designated, of corporate stock, membership, or partnership interests, whether common or preferred.

42. **“Carrier Regulatory Services** means: (i) the provision of emergency e911 services, including, routing and termination of voice, RTT and TTY calls and SMSs to and from the applicable public safety answering points (**“PSAPs”**), designated statewide default answering point or other appropriate local emergency authority and transmission of End User location to ALI databases used by PSAPs, in each case as required by an applicable Governmental Authority; (ii) support for CALEA or other lawful information requests; and (iii) any current or future regulatory requirement promulgated by the FCC or other applicable Governmental Authority for which the carrier of record is primarily responsible for compliance. “Carrier of record” means the party in privity with the subscriber.

43. **“[***] Commitment”** has the meaning given in Article II, Section 3(a) ([***] Commitment).

44. **“Cessation of Operations”** has the meaning given in Article II, Section 4 ([***]).

45. **“Change in Control”** means (i) any transaction or series of transactions as a result of which any single [***] Party or group of [***]Parties acting in concert legally or beneficially owns more than fifty percent (50%) of (A) the voting power of the then outstanding shares of Capital Stock or (B) aggregate economic value of all the outstanding Equity Interests of DISH or any direct or indirect parent entity of the DISH Wireless Business; or (ii) any transaction or series of transactions as a result of which both: (A) all or substantially all the assets of the DISH Wireless Business, taken as a whole, directly or indirectly, are sold or licensed to a third party and (B) the Person, directly or indirectly, owning or holding the license to the transferred DISH Wireless Business assets immediately following such transaction or series of transactions is a [***]Party.

46. **“Change in Control Date”** means the closing date of the relevant transaction, or if applicable the

last closing date of the series of transactions, that results in a Change in Control.

47. **“Claims”** has the meaning given in Article XIII, Section 1 ([***]).

48. **“Commercial MVNO Launch”** means the commencement of the provision of Services to End Users, which Services include, and have successfully satisfied mutually agreed upon acceptance test criteria of, all features and functionalities set forth in Schedule 7.

49. **“Commitment** [***]**”** has the meaning given in Article II, Section 3(a) ([***] Commitment).

50. **“Commitment** [***]**”** has the meaning given in Article II, Section 4 ([***]).

51. **“**[***] **Suspension Notice”** has the meaning given in [***].

52. **“Compatible Device”** has the meaning given in Section 4.2 (Disclaimer as to Devices and Network Technology) of Schedule 6 (Inbound Roaming Schedule).

53. **“Confidential Information”** has the meaning given in Article XI, Section 1 (Identification of Confidential Information).

54. **“Consent Right”** has the meaning given in Section 3.2 ([***]) of Schedule 6 (Inbound Roaming Schedule).

55. **“Consumer E-mail”** means an e-mail service accessible by the general public (e.g., Yahoo!, Gmail, and Hotmail) and not intended for business purposes.

56. **“Consumer Information”** has the meaning given in Article XI, Section 5 (Consumer Information).

57. **“Content”** means any non-executable file, including but not limited to graphics, audio, video and text files.

58. **“Contract Year”** means each twelve (12) month period following the Effective Date during the Term.

59. **“Contractor”** has the meaning given in Article II, Section 1 (Appointment as Reseller).

60. **“Control”** (whether or not capitalized) means, with respect to any Person (or a group of Persons acting in concert), the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or other agreement or otherwise. The term control shall have the correlative meaning when used in the phrases “Controlled by,” “under common Control with” or similar phrases.

61. **“Covered Devices”** means those authorized Devices approved for use on the Covered Network because they are technically and operationally compatible with AT&T’s documented device requirements, which shall include any Device that: [***]Covered Network.

62. **“Covered MVNO Subscriber”** means a subscriber to [***] wireless services offered by DISH or a DISH Affiliate in the United States (excluding all territories and possessions): [***]

63. **“Covered Network”** means all networks for the provision of [***]wireless services in the Covered Territories owned and/or operated by AT&T Mobility or an AT&T Affiliate, [***]

64. **“Covered Territories”** means those geographical areas in the United States in which (i) AT&T Mobility (or any AT&T Affiliate) provides Services using the AT&T Network Facilities (the **“Territory”**); and (ii) AT&T Mobility (or any AT&T Affiliate) has the right to use another wireless service provider’s network and is authorized to extend such right to DISH, subject to any other restrictions or limitations imposed pursuant to agreements between AT&T Mobility (or any AT&T Affiliate) and such other wireless service providers.

65. **“CPNI”** means DISH Proprietary Network Information (as such term is defined in 47 U.S.C. Section 222(h)(1), as such provision may be amended at any time and from time to time).

66. **“Credit Note”** has the meaning given in Section 13.3 (Credit Notes) of Schedule 6 (Inbound Roaming Schedule).

67. **“Creditor”** has the meaning given in Section 13.1 (Industry Settlement Procedures) of Schedule 6 (Inbound Roaming Schedule).

68. **“CSI”** means middleware using application programming interfaces (APIs) to relay a request or response from various clients. The request or response is related to products and services (such as, rate plans, devices and fees).

69. **“Cure Period”** has the meaning given in Article XIV, Section 1 (Termination Upon Event of Default).

70. **“Customer Care Services”** has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

71. **“**[***]**”** has the meaning given in Schedule 1A (MVNO On-Net Pricing).

72. **“Debtor”** has the meaning given in Section 13.1 (Industry Settlement Procedures) of Schedule 6 (Inbound Roaming Schedule).

73. **“Device”** means a single unit of radio telephone equipment having a unique IMEI (including the associated SIM) for use in connection with its own Number which includes operating system and other software.

74. **“DISH”** has the meaning given on the first page of this Agreement.

75. **“DISH-Branded Service”** has the meaning given in Article II, Section 1(b) ([***]).

76. **“DISH Brands”** means any brands owned or Controlled by DISH including Boost Mobile, Ting Mobile, Republic Wireless, and any brands acquired by DISH following the Effective Date.

77. **“DISH Coverage Area”** means those geographical areas in the United States, its territories, possessions and commonwealths, in which DISH (or any DISH Affiliate) provides wireless voice, data and messaging services via telecommunications equipment (including, antennas and radio units) and software operated and maintained by DISH (or any DISH Affiliate) (**“DISH Facilities”**), which DISH deems in its Sole Discretion necessary or desirable for the provision of such wireless services.

78. **“DISH** [***]**”** has the meaning given in Schedule 3A (Covered Device Certification).

79. **“DISH** [***] **Usage”** has the meaning given in Article II, Section 3(a) (DISH [***] Commitment).

80. **“DISH MNO Subscriber”** means any then-current End User whose subscriber identity (IMSI/SUPI/Number) is directly provisioned on the DISH core network (UDM/HSS/HLR or other equivalent) and all voice and data services are “home routed” to the DISH core network such that: [***]

81. **“DISH MVNO Subscriber”** means any then-current End User whose subscriber identity (IMSI/SUPI/Number) is directly provisioned on the AT&T core network (UDM/HSS/HLR or other equivalent) and all voice and data services are “home routed” to the AT&T core network such that: [***]

82. **“DISH MVNO** [***] **Commitment”** has the meaning given in Article II, Section 3(a) (DISH [***] Commitment).

83. **“DISH Offered Spectrum”** means the [***]

84. **“DISH** [***] **Plan”** means a DISH MVNO Subscriber plan [***]**.**

85. **“DISH** [***] **Plan”** means a DISH MVNO Subscriber plan [***].

86. **“DISH** [***] **Commitment”** has the meaning given in Article II, Section 3(a) (DISH [***] Commitment).

87. **“DISH Service”** means a retail wireless service plan provided by DISH or a DISH Affiliate to [***] mobile wireless subscribers, including, without limitation, End Users.

88. **“DISH Spectrum** [***]**”** has the meaning given in Article II, Section 2(a) (Spectrum Use Agreement).

89. **“DISH Wireless Business”** means all of the assets and business to which this Agreement relates, including all tangible and intangible assets necessary to offer and operate the DISH Service, including the DISH Facilities, the relationship with the wireless customers of the DISH Service and related contracts, brands, network access rights, licenses of wireless spectrum in the United States of DISH and its Affiliates and other wireless terrestrial telecommunications assets of DISH and its Affiliates, taken as a whole; provided that: pay-TV direct broadcast satellite or over-the-top internet customers, brands, network access rights and other related telecommunications assets are excluded.

90. **“Distribution Partner”** has the meaning given in Article II, Section 1(a) (Distribution Partners).

91. **“DOJ Approvals”** has the meaning given in Article II, Section 2(a) (Spectrum Use Agreement).

92. **“Effective Date”** has the meaning given on the first page of this Agreement.

93. **“Eligible Spend Components”** has the meaning given in Article II, Section 3(b) (Spend Commitment).

94. **“End User”** means any then-current individual end-user of [***] mobile wireless services from DISH or any DISH Affiliate who receives the Service, whether on a regular or intermittent basis, pursuant to the terms of this Agreement. [***].

95. **“Endispute Rules”** has the meaning given in Article XV, Section 3 (Arbitration).

96. **“Equity Interests”** means Capital Stock and all warrants, options, or other rights to acquire Capital Stock issued by such entity.

97. **“**[***]**”** has the meaning given in [***].

98. **“eSIM”** means an embedded Subscriber Identity Module representing the network configuration and subscription access credentials that will allow a Device to attach to, authenticate with and be authorized to use a wireless mobile network. [***].

99. **“ESME”** (**“External Short Message Entity”**) means an external application platform that connects to a SMSC to engage in sending and/or receiving Bulk Messages. ESMEs are supported through the NGEAG.

100. **“eUICC”** means an embedded UICC, whether removable or non-removable, which enables the remote and/or local management of profiles in an encrypted manner using industry standard algorithms with carrier specific keys.

101. **“Event of Force Majeure”** has the meaning given in Article XVI, Section 6 (Force Majeure).

102. **“Expired”** has the meaning given in Article IV, Section 4 ([***]).

103. **“**[***] **Roaming Term”** has the meaning given in Section 2 ([***]) of Schedule 6 (Inbound Roaming Schedule).

104. **“FCC”** means the Federal Communications Commission.

105. **“FCC Approvals”** has the meaning given in Article II, Section 2(a) (Spectrum Use Agreement).

106. **“**[***] **Measurement Date”** has the meaning given in Article II, Section 3(a) ([***] Commitment).

107. **“Fraudulent Activity”** means those activities described in Section 1 of Article X of this Agreement.

108. **“Governmental Authority”** means any federal, national, state, municipal, local, territorial, or other governmental department, regulatory authority, judicial or administrative body, whether domestic, foreign or international.

109. **“GSM”** means a digital or cellular personal communications system (or PCS) network.

110. **“GWS”** has the meaning given in [***]).

111. **“Home Carrier”** has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

112. **“**[***] **Device”** has the meaning given in Schedule 3A (Covered Device Certification).

113. [***]

114. **“IMEI”** means the International Mobile Equipment Identifier, the unique permanently assigned identification number installed in each Device when it is manufactured.

115. **“IMS”** has the meaning given in Section 4.3 (Network Interface Requirements) of Schedule 6

(Inbound Roaming Schedule).

116. **"IMSI"** means International Mobile Subscriber Identity.

117. **"Inbound Roaming"** has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

118. **"**[***] **Party"** has the meaning given in Article XIII, Section 3 ([***]).

119. **"**[***] **Party"** has the meaning given in Article XIII, Section 3 ([***]).

120. **"**[***]**"** has the meaning given in Article III, Section 14 ([***]).

121. **"**[***]**"** has the meaning given in Article III, Section 14 ([***]).

122. **"**[***] **Software"** has the meaning given in Schedule 3A (Covered Device Certification).

123. **"**[***] **Roaming Term"** has the meaning given in Section 2 ([***]) of Schedule 6 (Inbound Roaming Schedule).

124. **"**[***] **Spectrum Use Period"** has the meaning given in Article II, Section 2(a) (Spectrum Use Agreement).

125. **"International Long Distance"** **("ILD")** means a call that originates in the United States and terminates outside of the United States, Guam, American Samoa, the US Virgin Islands, or Northern Mariana Islands.

126. **"International Roaming"** means accessing a network not using the AT&T Network Facilities (outside of the United States).

127. **"International MVNO Roaming"** has the meaning given in Schedule 1C ([***])), Section 5.

128. **"International Sponsored Roaming"** has the meaning given in Section 1 of Schedule 6 (Inbound Roaming Schedule).

129. **"Internet"** means the publicly accessible network commonly known as the "internet," comprised of a series of global, interconnected, packet-switched networks that utilize transmission control protocols (TCP) and internet protocols (IP), including as accessed via cellular and other forms of terrestrial wireless technology (*e.g.*, 3G, 4G, LTE, 5G), to communicate and otherwise transmit information between devices.

130. **"IP Multimedia Subsystems"** (**"IMS"**) means a service platform enabling the delivery through internet protocol packet delivery of certain multimedia communications services.

131. **"Key DISH Contractor"** means [***]

132. **"Local Market Contact"** has the meaning given in Section 15 (Points of Contact) of Schedule 6 (Inbound Roaming Schedule).

133. **"LTE"** (**"Long Term Evolution"**) means a 4G standard for wireless communication of high-speed data for mobile phones and data terminals based on the GSM/EDGE and UMTS/HSPA network

technologies, increasing the capacity and speed using a different radio interface together with core network improvements.

134. “[***] **Market”** has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

135. **“Market”** means a combination of one or more of those Metropolitan Statistical Areas (**“MSAs”**), Rural Service Areas (**“RSAs”**), Metropolitan Trading Areas (**“MTAs”**), and Basic Trading Areas (**“BTAs”**), in which DISH is authorized to resell Services, which operate as a single entity for billing purposes. [***]

136. **“Marks”** means each party’s name, logo, service marks, tradenames and trademarks.

137. **“MMS”** (**“Multimedia Messaging Service”**) means a multi-media message service for sending and receiving Content.

138. **“MOU”** (**“Minutes of Use”**) means voice minutes of Usage by the End User or its VoLTE and VoNR equivalent.

139. **“MSISDN”** (**“Mobile Station ISDN”**) means a Mobile Subscriber Integrated Services Digital Network Number uniquely identifying a SIM Card.

140. **“MVNO Launch Date”** means [***].

141. **“MVNO Services”** means the Services provided pursuant to this Agreement to DISH MVNO Subscribers.

142. “[***]**Product”**) means technical requirements and functionality available to DISH MVNO Subscribers upon the MVNO Launch Date, as more fully described in Schedule 7 (Prepaid MVNO [***]Product ([***]) Launch Functionality).

143. **“NANP”** means the North American Numbering Plan. NANP is an integrated telephone numbering plan serving North American countries that share its resources. These countries include the United States and its territories (Puerto Rico, Guam, U.S. Virgin Islands, North Mariana Islands and American Samoa), Canada, Bermuda, Anguilla, Antigua & Barbuda, the Bahamas, Barbados, the British Virgin Islands, the Cayman Islands, Dominica, the Dominican Republic, Grenada, Jamaica, Montserrat, Saint Maarten, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Trinidad and Tobago, and Turks & Caicos.

144. **“Network Access Contractor”** has the meaning given in Article II, Section 1 (Appointment as Reseller).

145. “[***]” has the meaning given in Article II, Section 4 ([***]).

146. **“New Adds”** means: (i) new subscriber additions [***]; and (ii) subscriber upgrades where such subscriber receives from DISH, any DISH Affiliate, or any Distribution Partner a new UICC, eUICC or eSIM. [***].

147. “[***] **Commitment”** has the meaning given in Article III, Section 14 ([***]).

148. “[***] **Commitment”** has the meaning given in Article III, Section 14 ([***]).

149. **“New Technology** [***]**”** has the meaning given in Article II, Section 10(a) (Network Technology).

150. **“NGEAG”** (**“Next Generation External Access Gateway”)** means AT&T Mobility’s consolidated entry point for third party connectivity to the ESME.

151. **“Non-Acting Party”** has the meaning given in Article IX, Section 1 (Acts of Others).

152. **“Non-Compatible Device”** has the meaning given in Section 4.2 (Disclaimer as to Devices and Network Technology) of Schedule 6 (Inbound Roaming Schedule).

153. **“**[***] **Market”** has the meaning given in Schedule 1B (MVNO Off-Net Domestic Roaming).

154. **“**[***] **Inbound Roaming”** has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

155. **“Number”** means a ten (10) digit mobile telephone number assigned to AT&T Mobility and may be provided by AT&T Mobility to DISH for DISH MVNO Subscribers associated with one authorized End User’s Covered Device enabling calls to be directed to that unit.

156. **“Off-Net Domestic Roaming”** means accessing a network not using the AT&T Network Facilities (including, in this instance, [***] Markets) within the United States.

157. **“Off-Network” (“Off-Net”)** means Usage by an End User not on the AT&T Network Facilities.

158. **“Offshore Location”** has the meaning given in Article IX, Section 5 (Offshore Work).

159. **“On-Network” (“On-Net”)** means Usage by an End User on the AT&T Network Facilities. For avoidance of doubt, [***] (as defined in Schedule 6 (Inbound Roaming Schedule)) are not On-Network.

160. **“Onboarding Requirements”** has the meaning given in Article II, Section 3(a) ([***] Commitment).

161. **“Operating Markets”** has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

162. “**OTA**” has the meaning given in Article VI, Section 10.b.

163. **“Other Approvals”** has the meaning given in Article II, Section 2(a) (Spectrum Use Agreement).

164. **“**[***] **Rate”** has the meaning given in Schedule 1A (MVNO On-Net Pricing).

165. **“Party”** and **“Parties”** have the meanings given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

166. **“**[***] **Roaming”** has the meaning given in Schedule 1C ([***]).

167. **“Permitted Reseller”** has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

168. **“Person”** means any individual, subsidiary, corporation, limited liability company, partnership, co partnership, firm, joint venture, association, joint stock company, trust, estate, unincorporated organization, governmental or regulatory body or other entity.

169. **“**[***]**”** has the meaning given in Schedule 1A (MVNO On-Net Pricing).

170. **“**[***] **Plans”** has the meaning given in Schedule 1A (MVNO On-Net Pricing).

171. **“Portal”** (or **“Web Portal”**) means a URL which is registered to DISH or Portal Vendor which presents information from diverse sources in a unified way.

172. **“Portal Vendor”** means a third-party provider that enables DISH to deliver a DISH-branded Portal by providing hosted managed service offerings. The Portal Vendor’s platform may include the Portal, Applications and Content.

173. **“**[***]**”** has the meaning given in Schedule 1A (MVNO On-Net Pricing).

174. **“**[***]**”** has the meaning given in Schedule 1A (MVNO On-Net Pricing).

175. **“Pricing Plan”** has the meaning given in Section 1 (MVNO Pricing: General Terms) of Schedule 1A (MVNO On-Net Pricing).

176. **“Primary Contact”** has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

177. **“Prior AT&T Reseller”** has the meaning given in Schedule 1A (MVNO On-Net Pricing).

178. **“**[***]**”** has the meaning given in Article II, Section 10(b) ([***]).

179. **“Product and Services Roadmap”** has the meaning given in Article III, Section 11 (MVNO Product and Services Roadmap).

180. **“**[***] **Services”** has the meaning given in Article III, Section 3 ([***] Services).

181. **“**[***] **Services [***]”** has the meaning given in Article III, Section 3 ([***] Services).

182. **“Profile”** means a combination of data and applications to be provisioned on an eUICC for the purpose of provisioning cellular network services.

183. **“**[***]**”** has the meaning given in Article II, Section 4 ([***]).

184. **“Public Mobile Network”** has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

185. **“**[***]**”** means [***].

186. **“**[***]**”** means [***].

187. **“Qualifying Payments”** has the meaning given in Article II, Section 3(b) (Spend Commitment).

188. **“**[***]**”** or **(“**[***]**”)** means (i) [***]; or (ii) [***].

189. **"Rates"** has the meaning given in Section 8 (Rates) of Schedule 6 (Inbound Roaming Schedule).

190. **"Real Time Metered Service"** means Service offered to DISH MVNO Subscribers on a service platform that provides real-time or near real-time metering of DISH MVNO Subscriber Usage.

191. "[***]" has the meaning given in Article II, Section 4 ([***]).

192. **"**[***]**Percentage"** means: [***]

193. **"Refurbished Devices"** means Covered Devices that have been previously owned and used by one or more end user customers and that DISH subsequently acquires for sale to or use by End Users.

194. **"Remote SIM Provisioning"** means the download, installation, enablement, disablement or deletion of a Profile on an eUICC.

195. **"**[***]**Party"** means [***]

196. **"**[***] **Commitment"** has the meaning given in Article II, Section 4 [***]).

197. **"Roamer"** has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

198. **"Roaming Account"** has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

199. **"Roaming Commercial Launch"** has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

200. **"Roaming Customer"** has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

201. **"Roaming Schedule"** has the meaning given in Schedule 6 (Inbound Roaming Schedule).

202. **"Roaming Term"** has the meaning given in Section 2 (Roaming Term) of Schedule 6 (Inbound Roaming Schedule).

203. **"**[***] **Amount"** has the meaning given in Article XIV, Section 4 (Transition Period).

204. **"Service Denial"** has the meaning given in Section 4.2 (Disclaimer as to Devices and Network Technology) of Schedule 6 (Inbound Roaming Schedule).

205. **"**[***]**"** has the meaning given in Schedule 1A (MVNO On-Net Pricing).

206. **"Service** [***] **Area"** has the meaning given in Article II, Section 4 ([***]).

207. **"Service** [***] **Date"** has the meaning given in Article III, Section 14 ([***]).

208. **"Service Takedown"** has the meaning given in Article X, Section 5 (Prohibited Data Uses).

209. **"Services"** means the mobile wireless voice, data and messaging services (including, without limitation, the Authorized Data Services) provided to DISH pursuant to this Agreement by AT&T Mobility (or, as applicable, the AT&T Affiliates).

210. **“Serving Carrier”** has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

211. **“Short Messaging Service”** (**“SMS”**), commonly referred to as “text messaging,” means a service for sending and receiving non-executable short messages across two endpoints of a cellular network, one or both of which may be an Active End User handset. SMS transactions occur within a cellular network and are encoded based on defined standards.

212. **“**[***] **Commitment”** has the meaning given in Article II, Section 3(b) (Spend Commitment).

213. **“**[***] **Payment”** has the meaning given in Article II, Section 3(b) (Spend Commitment).

214. **“SIM**,**” “SIM Card**,**”** or **“Subscriber Identity Module”** means a module which contains subscriber and network information.

215. **“[***]”** has the meaning given in Article III, Section 5 (Support and Maintenance [***]).

216. **“SMSC”** (**“Short Message Service Center”**) means a network element that routes and regulates the process of delivering SMS messages.

217. **“Software Updates”** has the meaning given in Schedule 3A (Covered Device Certification).

218. **“Sole Discretion”** means a Person’s sole and absolute discretion for any reason or no reason whatsoever.

219. **“[***]”** has the meaning given in Article III, Section 3 ([***] Services).

220. **“Spectrum”** has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

221. **“Spectrum** [***] **Notice”** has the meaning given in Article II, Section 2(a) (Spectrum Use Agreement).

222. **“Spectrum Use Area”** has the meaning given in Article II, Section 2(a) (Spectrum Use Agreement).

223. **“Spectrum Use** [***]**”** has the meaning given in Article II, Section 2(a) (Spectrum Use Agreement).

224. **“Spectrum Use Request”** has the meaning given in Article II, Section 2(a) (Spectrum Use Agreement).

225. **“Spectrum Use Period”** has the meaning given in Article II, Section 2(a) (Spectrum Use Agreement).

226. **“Spend Commitment”** has the meaning given in Article II, Section 3(b) (Spend Commitment).

227. **“Spend Commitment Balance”** means [***].

228. **“Standard MVNO Model”** means the rate plans applicable to DISH MVNO Subscribers.

229. **“Standard Wireless Technology”** means [***].

230. **“Steering Committee”** has the meaning given in Article IX, Section 6(a) (Size and Composition).

231. **“Subpoena Record Request** means a binding order of a court or other applicable Governmental Authority that requires the search and/or provision of records regarding call-related information within the custody or control of a party.

232. **“Suspended Services [***]”** means, with respect to each instance in which a Service is suspended pursuant to Section 14, Article III, subsections (a) and (b), [***].

233. **“**[***]**”** means the [***].

234. **“TAC”** has the meaning given in Section 10.1 (TAC Requests) of Schedule 6 (Inbound Roaming Schedule).

235. **“Technology Roadmap”** has the meaning given in Article III, Section 10 (Technology Roadmap [***]).

236. **“Technology Sunset”** has the meaning given in Article III, Section 10 (Technology Roadmap [***]).

237. **“Term”** has the meaning given on the first page of this Agreement.

238. **“Third Party”** has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

239. **“Third Party Content Provider”** means a provider of Content that is not part of the Services.

240. **“Third Party Network”** means a wireless network used for [***] that is not owned or controlled by DISH or a DISH Affiliate. For clarity, the Covered Network is a Third Party Network.

241. **“Tier 1 Support”** means the customer support provided to an End User by DISH (or an Affiliate of DISH) or by a third party on behalf of DISH (or an Affiliate of DISH). This staff shall engage directly with the End User to handle servicing issues and questions relative to DISH products and services.

242. **“Tier 2 Support”** means internal support provided by DISH to DISH’s Tier 1 Support staff to assist in additional triage and isolating issues. These support agents typically work outside of the End User phone queue environment and handle tickets and other offline transactions. [***].

243. **“**[***] **Roaming”** has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

244. **“Transition Period”** has the meaning given in Article XIV, Section 5 (Transition Period).

245. **“UICC”** (**“Universal Integrated Circuit Card”**) means the smart card used in mobile terminals in cellular networks.

246. **“URL”** (**“Uniform Resource Locator”**) means the unique qualified location of a specific resource on the World Wide Web.

247. **“USAA”** has the meaning given in Article XV, Section 3 (Arbitration).

248. **“Usage”** means a period of time or its data usage equivalent during which an End User engages the AT&T Network Facilities and incurs charges for such use in accordance with this Agreement.

249. **“Visual Voicemail”** means a software application or service that converts voicemail messages left for an End User to text delivered to such End User.

250. **“VoLTE”** (**“Voice over LTE”**) means a method by which the IP Multimedia Subsystem is used with specific profiles for control and media planes of voice service on LTE, resulting in voice service being delivered as data flows within the LTE data bearer and elimination of dependency on legacy voice networks.

251. **“VoNR”** (**“Voice over New Radio”**) means a method by which the IP Multimedia Subsystem is used with specific profiles for control and media planes of voice service on 5G, resulting in voice service being delivered as data flows within the 5G data bearer.

252. **“**[***] **Rate”** has the meaning given in Schedule 1A (MVNO On-Net Pricing).

253. **“Wireless Network”** or **“Network”** has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

254. **“Wireless Services”** has the meaning given in Section 1 (Definitions) of Schedule 6 (Inbound Roaming Schedule).

255. [***]

256. [***]

257. [***]

General Rules of Interpretation. Unless otherwise explicitly stated in this Agreement: (i) capitalized terms used in this Agreement shall have the respective meanings set forth in this Article I; (ii) the singular shall include the plural and vice versa; (iii) the word “including” (or “include” or similar constructions) shall mean “including, without limitation”, in all instances; (iv) the use of “including, without limitation” or similar constructions shall not be construed to differ in any way from the use of “including,” include(s)” or similar constructions; (v) references to “Sections”, “Schedules”, and “Exhibits” shall be to sections, schedules and exhibits of this Agreement (and section references shall refer to the body of this Agreement unless the context otherwise requires); (vi) the words “herein”, “hereof” and “hereunder” shall refer to this Agreement (or the certificate or other document in which they are used) as a whole and not to any particular section or subsection hereof (or such certificate or document); (vii) references to this Agreement shall include a reference to this Agreement together with all schedules and exhibits hereto, as the same may be amended, modified or supplemented at any time and from time to time; (viii) words “shall” and “will” have the same meaning; (ix) references to any person include that person’s successors and assigns (without affecting any limitations, restrictions or prohibitions on assignment); (x) any reference to “days” means “calendar days” unless otherwise defined; (xi) in the event that a notice is to be given on a specified day, unless otherwise specifically provided herein, it must be given prior to 6:00 p.m. prevailing local time in Dallas, Texas; (xii) headings are for reference purposes only and shall not in any manner affect the meaning, interpretation or effect of any provision hereof; (xiii) all monetary amounts described in this Agreement, and all payments made hereunder, refer to and shall be paid in United States Dollars; and (xiv) “or” is not exclusive. Where used in this Agreement, [***]

Inclusion of Affiliates.

a. In the event that any AT&T Affiliate performs or provides any Services under this Agreement, then all actions or inactions of such AT&T Affiliate shall be considered the actions or inactions of AT&T Mobility for all purposes under this Agreement.

b. DISH may permit any DISH Affiliate to use, access and/or receive the Services. In the event that any DISH Affiliate uses, accesses or receives any Services under this Agreement, then all actions or inactions of such DISH Affiliate shall be considered the actions or inactions of DISH for all purposes under this Agreement.

ARTICLE II
NON-EXCLUSIVE DISTRIBUTORSHIP

1. Appointment as Reseller. AT&T Mobility hereby appoints DISH, on the terms and conditions set forth herein, to purchase Services from AT&T Mobility and to resell such Services to its End Users within the Covered Territories, [***]DISH hereby accepts such appointment and agrees to purchase and resell Services within the Covered Territories in order to market, sell and solicit orders for the Service (whether to DISH MVNO Subscribers, or indirectly with respect to any DISH MNO Subscriber that receives Inbound Roaming or [***]Roaming Services) in accordance with the terms and conditions set forth herein. DISH, at its option, may engage one or more Portal Vendors, data aggregators or other third party contractors to provide platforms, services, Content, connectivity or other data services, or otherwise to perform DISH's obligations under, or interact with AT&T Mobility for purposes of, this Agreement (each a "**Contractor**"). If personnel or any systems of any Contractor will require access to the AT&T Systems, such Contractor will be a "**Network Access Contractor**." Prior to granting any Contractor access to the AT&T Systems [***], or any part thereof, DISH will ensure that: (i) AT&T Mobility has approved DISH's use of any Network Access Contractor or any Contractor [***], or any part thereof, in each case in writing, such approval not to be unreasonably conditioned, withheld or delayed; (ii) any Contractor who will have access to AT&T Mobility's Confidential Information has executed a non-disclosure agreement that will protect any disclosure of AT&T Mobility's Confidential Information to such contractor, and (iii) if applicable, the Contractor has executed a connectivity agreement or other appropriate agreement(s) satisfactory to AT&T Mobility. [***].

   a. *Distribution Partners*. Subject to the terms and conditions of this Agreement (including, without limitation, Section 1(b)), DISH may use dealers and distributors directly or indirectly to market, sell and solicit orders for the Service to End Users and potential End Users in the Covered Territory (any such Person a "**Distribution Partner**"). [***].

   b. *No* [***]. DISH will not directly or indirectly resell any Services as part of any offer or arrangement [***] with a third party. For clarity, [***].

      For clarity, the following are not considered [***] arrangements, [***].

      Notwithstanding anything in Section 1.(a) or 1.(b), DISH may not market or distribute the Services as part of any offer or arrangement with a third party that enables the equivalent of a wholesale wireless relationship. For example [***].

   c. *Reserved*.

   d. *Standard MVNO Model*. The parties intend to launch under the Standard MVNO Model with DISH customers supported within AT&T's core network systems and with AT&T SIMs and

IMSIs. Exhibit 7 (Inbound Roaming Development Planning and Roadmap) to Schedule 6 (Inbound Roaming Schedule) sets forth certain processes and milestones pursuant to which the parties will work to support and launch Inbound Roaming on the Covered Networks and the [***]with DISH customers supported within DISH's core network systems and with support for both DISH and AT&T SIMs and IMSIs. The [***] offers may vary between the Standard MVNO Models and the [***] as described in the [***] section in Schedule 1C ([***]).

2. Network Capacity Planning and Management. The parties will work together to forecast and plan for the impact of End Users on the Covered Network. As further set forth below in this Section 2, AT&T will have the option to use the DISH Offered Spectrum, [***].

a. Spectrum Use Agreement.

i. AT&T Mobility may from time to time request in writing the use of the DISH Offered Spectrum by providing DISH with a written request that includes the following: (such request a "**Spectrum Use Request**"): [***] . Within [***] days following receipt of a Spectrum Use Request, DISH will inform AT&T Mobility, [***] if it will permit AT&T Mobility [***]. If DISH fails to respond within [***] days, the Spectrum Use Request will be deemed rejected. [***].

ii. If DISH consents to use of DISH Offered Spectrum [***].

iii. [***], AT&T Mobility may, in its Sole Discretion, use the specific DISH Offered Spectrum approved by DISH to provide Wireless Services [***]in the relevant location, and may continue to utilize such DISH Offered Spectrum until [***]

iv. [***] (a "**Spectrum** [***] **Notice**"). If DISH gives AT&T Mobility a Spectrum [***] Notice, AT&T Mobility (or the relevant AT&T Affiliate) will cease use of the DISH Offered Spectrum specified in the Spectrum [***] Notice [***] (a "**DISH Spectrum** [***]"). [***]

v. During any Spectrum Use Period (as defined below in this Section (v)), AT&T Mobility will provide [***] (the "**Spectrum Use [***]**"): [***]

vi. Spectrum Use [***] may only be applied against subsequent invoices for amounts due and payable by DISH under this Agreement until exhausted. [***].

b. [***]

c. Forecasting. Throughout the Term, DISH will provide a good faith non-binding forecast of Usage (to be provided not less than quarterly) for the upcoming [***] period. Such forecasts will be broken out by Usage type (*e.g.*, voice, data, SMS, MMS) and Market. The parties acknowledge and agree that such non-binding forecasts are estimates only, that actual Usage may be lower or higher than any such forecasted amount, and that no party shall be liable or have any obligation whatsoever to the other party or any other party arising out of any such forecast.

3. DISH Commitments

a. [***] Commitment.

i. [***]

ii. [***]

iii. [***]

b. Spend Commitment

i. DISH commits to pay to AT&T Mobility no less than $5,000,000,000 (the "**Spend Commitment**") during the Term for MVNO Services, MNO Inbound Roaming Services, [***] (collectively, the "**Eligible Spend Components**"). All payments made by DISH or any DISH Affiliate to AT&T Mobility under this Agreement for Eligible Spend Components ("**Qualifying Payments**") shall be applied against the Spend Commitment.

ii. [***]

iii. [***]

iv. [***]

v. Additional [***] Commitment Terms and Conditions

a. [***].

b. [***]

vi. In the event of termination by AT&T Mobility pursuant to any of the provisions in Article XIV or expiration of the Term, DISH will pay the balance of the Spend Commitment, if any, as reduced by all Qualifying Payments in accordance with Article XIV, Section 3 (Effect of Termination). This obligation will survive termination or expiration of the Agreement until fully satisfied.

vii. If the Commercial MVNO Launch is delayed due predominantly to AT&T Mobility's failure, whether caused by acts or omissions of AT&T Mobility, an AT&T Affiliate, or any third party assisting AT&T Mobility in performing the Services, to perform its obligations under Schedule 7, [***]. If any failure of performance of a Key DISH Contractor causes a delay of the Commercial MVNO Launch, [***].

c. Invoicing of [***] Payments; Right to Terminate. Invoicing of any [***] Payment shall be in accordance with Article V (Terms of Payment). AT&T Mobility's right to terminate the Agreement if DISH fails to make payment of any [***]Payment in accordance with Article XIV (Termination) and DISH's obligation to pay any unmet balance of the Spend Commitment shall be governed by Article V (Terms of Payment), subject to the applicable payment period set forth in Article XIV (Termination). AT&T Mobility shall have the right to terminate this Agreement in accordance with Article XIV (Termination) if [***].

d. [***]

4. [***]DISH Commitments.

a. Notwithstanding anything to the contrary herein, the [***] Commitment and the Spend Commitment shall be reduced by the [***]if any AT&T Affiliate ceases to offer the Services for any reason (excluding Events of Force Majeure or other temporary suspension of operations, such as due to maintenance or failure of equipment or software, and excluding any instance in which a different AT&T Affiliate continues such operations, such as pursuant to a corporate reorganization) ("**Cessation of Operations**") in any geographic area that as of the Effective Date is included in the Covered Territories (such area, a "**Service** [***] **Area**") unless, during the Term, AT&T Mobility has [***]

b. In the case of an Event of Force Majeure that prevents AT&T Mobility from directly or indirectly providing the Services in a geographic area within the Covered Territories for a period of more [***]: **[***]**:

c. If AT&T Mobility restores the provision of the Services in a geographic area **[***]**.

d. **[***]**.

e. For purposes of this Section 4, the Covered Territories do not include Puerto Rico or the U.S. Virgin Islands

5. Reserved.

6. No Exclusivity. AT&T Mobility reserves the right to sell services substantially similar to the Services to itself and its retail and wholesale customers within and without the Covered Territories and to appoint other resellers, agents and distributors within the Covered Territories. **[***]** This Agreement is non-exclusive to DISH and AT&T Mobility. Except as otherwise expressly set forth in this Agreement (including the [***] Commitment and Spend Commitment), DISH and its Affiliates make absolutely no statements, promises, representations, warranties, covenants or guarantees as to the amount of business or revenue that AT&T Mobility or any other AT&T Affiliate may expect to derive from participation in this Agreement. Subject to the [***] Commitment and the Spend Commitment, DISH reserves the right to purchase wireless voice and data services from, and/or use the wireless voice and data services of, other wireless service providers within the Covered Territories in DISH's Sole Discretion.

7. Nature of the Relationship. The parties acknowledge and agree that nothing in this Agreement shall be construed or implied to create a relationship of partners, agency, joint venture, or employer and employee. Neither party hereto shall, in any way, have the authority to bind the other party in any manner whatsoever.

8. [***]Roaming. [***]AT&T Mobility will use commercially reasonable efforts to notify DISH of any such suspension or termination as promptly as possible. [***].

9. [***]

10. [***].

    a. Network Technology**.** Throughout the Term, AT&T Mobility will offer DISH access to new industry standard radio network technology for the Services [***], subject to mutual agreement between the parties on applicable rates and the timeline for the technology rollout. **[***]**.

    b. [***]Wireless Technology. **[***]**. **[***]**.

c. [***]DISH MVNO Subscribers. Throughout the Term and the Transition Period, AT&T Mobility (or the applicable AT&T Affiliate) will provide DISH MVNO Services (including operational support services) to DISH [***]

d. Roaming. With respect to any Off-Network Domestic Roaming, AT&T Mobility shall: (i) **[***]**.

e. [***].

f. [***]

ARTICLE III
AVAILABILITY OF SERVICES

1. Regulatory Approvals. DISH understands that AT&T Mobility's ability to provide the Services described herein is completely contingent upon receiving an operating license from the FCC and any other required State or local regulatory approval. DISH agrees that this Agreement is contingent upon AT&T Mobility receiving and maintaining these regulatory approvals and that unless the approvals are in place, AT&T Mobility is under no obligation to provide the Services described herein. AT&T Mobility shall provide DISH with [***] days advance written notice if AT&T Mobility loses its operating license in all or a substantial part of a Territory or is otherwise not permitted to operate its license by any governmental or regulatory body. AT&T Mobility may terminate this Agreement solely with respect to any portion of the Territory should it cease to be licensed by the FCC in all or a substantial part of that Territory or is otherwise not permitted by any governmental or regulatory body to provide some or all of the Services in all or a substantial part of a Territory; provided that any such termination shall result in a reduction of both the Spend Commitment and the [***] Commitment in accordance with Article II, Section 5 ([***] DISH Commitments). Further, the parties acknowledge and agree that each party will be responsible for the Carrier Regulatory Services for its respective end users; provided, however, that AT&T Mobility agrees to perform these functions on DISH's behalf to the extent necessary to allow DISH to meet these regulatory obligations with respect to DISH MVNO Subscribers that utilize AT&T certified devices.

2. System Interconnection. DISH will be responsible at its own cost and expense to purchase, deploy and maintain any necessary network and systems connections between the DISH network and systems and the AT&T Mobility network and systems. [***] DISH agrees to utilize AT&T Systems, if applicable, and other systems and interfaces to be reviewed and approved by AT&T Mobility in writing prior to deployment.

3. [***] Services. From time to time, DISH may request (a "[***] **Services [***]**") that AT&T Mobility perform certain [***] services (the "[***] **Services**"). [***].

4. Onboarding. The parties will perform the onboarding, integration and configuration activities set forth in Schedule 7.

5. Support and Maintenance [***].

6. Limitation on Services. DISH acknowledges and agrees that the Services are subject to transmission limitations caused by conditions such as, but not limited to, the operating characteristics of DISH or End User selected Covered Devices, atmospheric, topographical, or other conditions, operating characteristics of mobile terminal devices, intentional or negligent acts of third parties that may damage or impair the network or disrupt Service, and other like conditions. AT&T Mobility will provide DISH with coverage maps for the Services (other than Inbound Roaming) showing the

Covered Territories in reasonable detail, which maps AT&T Mobility will update on a periodic basis, [***]. Notwithstanding the preceding, AT&T Mobility recommends that DISH perform its own coverage analysis and test to determine if the available coverage meets the End User's requirements. Additionally, Services may be suspended, refused, limited or curtailed In the case of temporary or resolved conditions or circumstances, AT&T Mobility or the applicable AT&T Affiliate will restore access to the Services that were so suspended, refused, limited or curtailed promptly after such conditions or circumstances have been resolved.

7. [***]

8. Prepaid Platform Provider. If DISH elects to purchase Real Time Metered Services from AT&T Mobility, DISH may only use the prepaid platform provider(s) approved by AT&T Mobility. DISH must have an executed agreement with the prepaid platform provider. DISH may submit work requests directly to the prepaid platform provider to request any change to the prepaid platform functionality and additional changes may apply. Copies of all requests for changes to the prepaid platform functionality shall be sent to AT&T Mobility. AT&T Mobility and the prepaid platform provider will determine if the request should be implemented; provided that AT&T Mobility will use commercially reasonable efforts to support each such agreed implementation.

9. Retirement of Network Technology. Without limiting AT&T Mobility's obligation to provide notice of Technology Sunset pursuant to Section 10, nothing in this Agreement shall obligate AT&T Mobility to maintain any specific network technology, and AT&T Mobility shall have the right to reduce or terminate network technology in its Sole Discretion. AT&T Mobility's support of any of DISH's Covered Devices shall in no way limit AT&T Mobility from retiring, in whole or in part, in AT&T Mobility's Sole Discretion and at any time, subject to the provision of this Section, 3G, 4G, LTE, 5G or any other network technology provided by AT&T Mobility, or an AT&T Mobility roaming partner, either nationally or in discrete geographic areas. AT&T Mobility shall have no obligation to support Services for any Covered Device if AT&T Mobility no longer provides the technology on which such Covered Devices operate, and as of the date on which such network technology is retired, DISH's Covered Devices that use that particular technology may no longer be able to communicate with or operate on the AT&T Network Facilities. In the event DISH cannot transition End Users to another available AT&T Mobility network technology, DISH will make commercially reasonable efforts to notify End Users advising that Services will be terminated **[***]**. If DISH opts for written notice to End Users, AT&T Mobility will receive a copy of the notice; provided, however, that if such notice contains any reference to AT&T Mobility or its Marks, such notice must be approved in accordance with Article IX of the Agreement. The parties acknowledge that particular cell sites may be eliminated, or specific network technologies may be removed from particular cell sites. The parties further acknowledge that AT&T Mobility has no control over, and may not receive advance notice of, changes in network technologies or other service impacting activities of its third party network providers, or changes mandated by regulation or government officials. Such changes are governed by Article III and Article V of the Agreement and not by this Section. **[***]**.

10. Technology Roadmap [***]. AT&T Mobility will meet with DISH **[***]** to discuss AT&T Mobility's technology roadmap for **[***]** the "**Technology Roadmap**"). Such meeting shall be facilitated by AT&T Mobility's designated lead for DISH, and may include, as applicable, representatives operations, network engineering, product development, and software management organizations as required and at discretion of the AT&T Mobility designated lead for DISH. [***].

11. MVNO Product and Services Roadmap. AT&T Mobility will meet with DISH periodically **[***]** to discuss DISH's MVNO product and services roadmap and plans over the next [***]months to: (i)

explore opportunities for new MVNO products and services; (ii) explore opportunities for joint MVNO product development; [***]

12. Authorized Data Services. DISH is authorized to resell and/or utilize the data Services described in this Section for DISH MVNO Subscribers (the "**Authorized Data Services**") at the appropriate rates set forth in Schedule 1 of the Agreement. Any additional data Services must be authorized by a separate written agreement or amendment.

   a. MVNO Messaging Services. Messaging services for DISH MVNO Subscribers consist of SMS and MMS. All DISH MVNO Subscriber messaging applications and offers must utilize the related messaging architecture as determined by AT&T Mobility. For all Bulk Messages, DISH will cooperate with AT&T Mobility to agree upon the parameters of such Bulk Messages, including but not limited to the volume of messages to be sent/received simultaneously, the speed at which Bulk Messages will be delivered and the size of such Bulk Messages. AT&T Mobility will not permit any Bulk Messages that are found to contain spyware, malware, viruses or other harmful Content or format. Messages sent from email (originator) to a Covered Device must use AT&T Mobility's domain names (**[***]**).

   b. Network Access. Network access to the Services for: (i) DISH MVNO Subscribers [***]; and (ii) DISH MNO Subscribers shall be facilitated in accordance with Schedule 6 (Inbound Roaming Schedule).

   c. Data Services. Data Services shall consist of access to or transmission of data over the Internet, charged in accordance with Schedule 1[***], or, pursuant to Article X, Section 5, relate to a prohibited use.

   d. Content. AT&T Mobility reserves the right to prohibit or deny network access to any Content that **[***]** uses excessive network capacity, as determined in AT&T Mobility's reasonable discretion. AT&T Mobility will not provide any infrastructure or process to support settlement of Content related purchases.

13. Reserved.

14. [***].

ARTICLE IV
ACCESS TO NUMBERS, CONNECTIONS

1. Numbers. AT&T Mobility shall provide Numbers to DISH for DISH MVNO Subscribers in each Market in which DISH is authorized to resell AT&T Mobility's Services. DISH shall provide AT&T Mobility with a non-binding rolling twelve (12) month forecast of DISH's anticipated demand for Numbers for DISH MVNO Subscribers in each Market. Subject to availability of Numbers, AT&T Mobility shall honor orders from DISH for Numbers. For clarity, DISH shall be solely responsible for procuring Numbers for MNO.

2. Allocation of Numbers. DISH understands and agrees that if a shortage of available Numbers occurs, AT&T Mobility may allocate available Numbers to itself first and thereafter to DISH and other resellers on a basis **[***]**. For clarity, DISH shall be solely responsible for procuring telephone numbers for DISH MNO Subscribers.

3. No Property Interest in Numbers. The Numbers provided by AT&T Mobility represent a unit of access to the AT&T Network Facilities. The Numbers shall be assigned by AT&T Mobility to DISH for use or resale. DISH shall not transfer Numbers provided by AT&T Mobility to another service provider unless such transfer is authorized by FCC order or rule on telephone number portability. Neither DISH nor any End User shall acquire a property interest in any specific Number assigned for its use by AT&T Mobility and no property interest is acquired by Usage. AT&T Mobility reserves the right, at its Sole Discretion, from time to time, to assign, designate or change such Numbers provided by AT&T Mobility upon [***] days advance notice to DISH, when reasonable and necessary in the conduct of AT&T Mobility's business. The terms of this Subsection shall be subject to all FCC orders and rules, including those regarding number portability.

4. [***] Subscribers. DISH MVNO Subscribers on AT&T Mobility's designated Real Time Metered Services platform are in one of following **[***]**

5. Deactivated Numbers. Once a Number associated with an account has been activated and then cancelled, [***]. Except as otherwise agreed in writing, the foregoing period is subject to change by AT&T Mobility in its Sole Discretion and may be shorter due to Number exhaustion in a Market; provided, however, that AT&T Mobility will not reduce such period for DISH by any amount greater than AT&T Mobility's reduction for other MVNO customers in the same Market.

6. One Number per SIM Card. Each Number assigned by AT&T Mobility shall be used for only one (1) SIM Card at a time and each SIM Card shall have a unique IMSI or such other safeguard as may from time to time be required by AT&T Mobility to prevent Fraudulent Activities. [***]

ARTICLE V
PRICES; TERMS OF PAYMENT

1. Payment of Charges. DISH shall be invoiced on a monthly basis and is responsible for payment for all charges attributable to DISH's Numbers and Services; provided, however, that fees payable with respect to distribution of the Services to End Users in Puerto Rico may be made separately by a DISH Affiliate, which as of the Effective Date shall be DISH Wireless Puerto Rico L.L.C.

2. Pricing. Pricing for Services available under this Agreement are set forth in Schedules 1A through 1D.

3. Taxes and Other Fees. The parties acknowledge that all Services purchased by DISH from AT&T Mobility under this Agreement are made for resale in the ordinary course of DISH's business. **[***]**

4. Commencement of Charges. Any charges and rates in Schedule 1 shall commence with respect to each Number when an activation transaction is successfully submitted to AT&T Mobility. Such charges shall continue until the date such Number(s) is canceled or otherwise disconnected in accordance with the provisions hereof.

5. Billing Cycle. The billing cycle for charges for Services hereunder shall be the calendar month, or such other billing cycle mutually agreed to in writing by the parties. DISH expressly acknowledges and agrees that some AT&T Mobility charges incurred in a billing cycle may not be billed in the billing cycle during which such charges are incurred; provided that, **[***]** Notwithstanding the foregoing, roaming and other third-party carrier charges may not be billed within such time period as set forth above. DISH is responsible for any delayed roaming and other third-party carrier charges **[***]**.

6. Invoice. Invoices [***] will be transmitted to DISH via electronic transmission without tangible media. The method of transmission or format of data may be changed by AT&T Mobility upon reasonable advance written notice to DISH. [***].

7. Payment [***]. DISH shall pay such invoices in United States Dollars **[***]**. If the date on which AT&T Mobility sends the invoice is later than the date displayed on the invoice, then the date on which AT&T Mobility sends the invoice will be deemed to be the date of such invoice. **[***]** Any amounts required to be paid hereunder will be deemed paid when received at the location in the United States designated by AT&T Mobility from time to time.

8. Roaming. Off-Net Domestic Roaming is provided for DISH MVNO Subscribers as part of the Services hereunder to the extent permissible and practicable under the roaming agreements of AT&T Mobility, and other AT&T Affiliates where applicable. DISH is responsible for all Off-Net Domestic Roaming charges chargeable to DISH in accordance with Schedule 1B (MVNO Off-Net Domestic Roaming). [***]Roaming is permitted for End Users at DISH's discretion and to the extent permissible under the roaming agreements of AT&T Mobility and other relevant AT&T Affiliates. If an End User incurs [***], AT&T Mobility will charge DISH the rates set forth in Schedule 1C ([***] of this Agreement. AT&T Mobility's and other relevant AT&T Affiliates' roaming partners, roaming terms, and roaming coverage area are all subject to change from time to time without notice to DISH; provided, however, that AT&T Mobility will use commercially reasonable efforts to provide DISH [***] days advance notice of such changes to the extent AT&T Mobility is able to do so, but nothing herein shall require AT&T Mobility to provide such notice. AT&T Mobility makes no warranties or representations as to the availability or quality of Roaming Service provided by Roaming partners, and AT&T Mobility will not be liable in any capacity for errors, outages or failures of Roaming Services. Access to Roaming, where available, is deemed to be a Service under this Agreement, and DISH's use of Roaming is governed by the provisions of this Agreement. Specifically, Inbound Roaming is more fully addressed in Schedule 6 (Inbound Roaming Schedule).

9. Disputed Charges. If DISH disputes in good faith part of the monthly bill, DISH is required to notify AT&T Mobility in writing [***]. Notwithstanding any such dispute, DISH shall [***]. AT&T Mobility will respond to DISH's written dispute within [***]. AT&T Mobility and DISH shall use best efforts to resolve all disputes and DISH Mobility shall pay any amounts due within [***] days following dispute resolution. **[***]** Any disputed invoice will be resolved pursuant to the dispute escalation provisions of Section 12.11 and the parties shall promptly cause the escrow agent to pay the escrowed amount to the prevailing party. **[***]** The terms of this Section 9 will apply to the charges for roaming Services only to the extent that such disputes are not resolved through standard roaming net settlement processes.

10. RESERVED.

11. [***].

12. [***][***].

ARTICLE VI
RESELLER'S OBLIGATIONS

1. Charges. Except as otherwise set forth herein, DISH is solely responsible for all charges properly chargeable and invoiced under this Agreement [***]. DISH is one hundred percent (100%) liable for all Usage on its Covered Devices – including Usage associated with Fraudulent Activity and Abuse of Service or Prohibited Data Use, as defined in Article X. [***].

a. Voice Usage. Chargeable time begins for outgoing calls when the Active End User [***]

b. Data Usage. Data Usage, monthly fees and other charges will be billed as specified in Schedule 1. Data transport is billed in [***] increments, [***].

2. Remote Access Activation System. AT&T Mobility uses [***]. DISH shall be allowed to utilize such systems. DISH shall provide and maintain in the Covered Territories user interfaces and electronic application interfaces, built to specifications provided by AT&T Mobility compatible with the computer systems utilized by AT&T Mobility and will furnish operators proficient in operating such DISH systems used in conjunction with AT&T Mobility's computer systems. DISH shall pay all connecting charges for operating such system. [***].

3. Additional Procedures. In addition to complying with the requirements of this Agreement, DISH will comply with such other policies and procedures reasonably established by AT&T Mobility for obtaining Numbers, configuring and programming Covered Devices, activating or deactivating Services, porting Numbers in and out, and other activities contemplated by this Agreement with respect to any DISH MVNO Subscriber. AT&T Mobility may from time to time modify these policies and procedures, and will use commercially reasonable efforts to give DISH [***] prior written notice of such modifications. AT&T Mobility may, at its Sole Discretion, implement [***]. DISH will cooperate with AT&T Mobility in implementing [***] if requested by AT&T Mobility. AT&T Mobility reserves the right to add any other technical requirements that AT&T Mobility, in its Sole Discretion, deems necessary to prevent potential damage to AT&T Mobility's reputation or network; provided that: (i) [***]. To the extent any action of DISH or DISH's Network Access Contractor in modifying any DISH system that accesses the AT&T Systems is reasonably likely to impact the Covered Network, DISH shall [***] to ensure such projects do not negatively impact the Covered Network. AT&T Mobility retains the right to cause DISH to discontinue any such project that [***].

4. Additional Obligations. DISH shall not, under any circumstances, represent itself as the FCC-authorized provider of Service. [***].

5. Covered Devices. Except as otherwise specifically set forth within this Agreement, DISH and its DISH MVNO Subscribers may use Services hereunder only with Covered Devices. DISH or the applicable DISH MVNO Subscriber shall be responsible for providing and maintaining all Covered Device equipment, SIM Cards, and/or eSIMs/eUICCs and ensuring that such items are technically and operationally compatible with AT&T Mobility's requirements (as such are referred to or more fully set forth in Schedule 3A) and in compliance with applicable FCC rules and regulations. DISH will follow the certification requirements for Covered Devices, SIM Cards, and/or eSIMs/eUICCs in Schedule 3A. DISH must use Covered Devices that conform to generally accepted definitions of such device types as listed in Schedule 3A. Any other device types will be utilized only upon amendment to Schedule 3B, and if applicable, will be subject to a separate written agreement or Schedule.

6. End User Support Services. Tier 1 Support: DISH as the MVNO, shall provide an adequate Tier 1 Support staff to receive and investigate complaints from its End Users. MVNO Tier 1 Support staff will report any suspected trouble with the Services to DISH's internal Tier 2 Support/Help Desk for further research prior to engaging AT&T Mobility Help Desk. DISH Tier 2 Support staff may engage AT&T Mobility's help desk only upon reasonable belief that such trouble is due to causal factors owned by AT&T Mobility or any other AT&T Affiliate. DISH shall use commercially reasonable efforts to ensure that its MVNO Tier 2 Support and testing staff is adequately trained to triage and perform technical troubleshooting of subscriber issues by utilizing the tools provided to DISH by AT&T Mobility. AT&T Mobility shall provide DISH with such in-person or remote training sessions

as are reasonably required to familiarize DISH's Tier 2 Support staff with the AT&T Systems and such other tools provided to DISH by AT&T Mobility. [***]

7. Assumption of Risk. DISH shall be solely responsible for all risks and expenses to the extent caused by or incurred due to DISH's actions in the sale and service of the Services or any other acts required of DISH pursuant to this Agreement. DISH shall act in all respects on its own account, and shall be solely responsible for any credit verification, deposits, billing, consolidation, rebilling, End User billing complaints, toll calls, and bad debts by any person of any Number or Numbers assigned to DISH with regard to the End User. Except as expressly provided in this Agreement, AT&T Mobility is not responsible for [***].

8. End User Agreement. Unless prohibited by applicable FCC rules and regulations, DISH agrees that each DISH MVNO Subscriber contract will either contain the terms and conditions set forth in Schedule 9 (End User Contract Terms and Conditions) or language which provides substantially similar protection as the concepts set forth in such schedule. At AT&T Mobility's request, DISH shall provide its form of DISH MVNO Subscriber contract to AT&T Mobility for its review. [***].

9. Lost or Stolen Covered Devices. If an End User's Covered Device is lost, stolen, or otherwise absent from the End User's possession or control, DISH shall nevertheless be liable for all Usage and other charges originating from such End User's Number until such time as the Service to such Covered Device is terminated.

10. SIM Cards.

    a. SIM cards (or any subsequent subscriber identity solution) used on AT&T Mobility's network must be approved by AT&T Mobility or purchased from an AT&T Mobility-approved vendor and must include AT&T Mobility's SIM profile; provided, however, that AT&T Mobility will provide DISH in advance with the names of certain SIM card vendors that AT&T Mobility has preapproved, and DISH will not be required to seek separate approval for the use of SIM cards purchased from such preapproved vendors. All custom SIM applications must be approved by AT&T Mobility in advance. AT&T Mobility only reviews the SIM application's functional specifications to ensure that there are no obvious technical conflicts. AT&T Mobility does not test the functionality of DISH's SIM application. AT&T Mobility is not liable for damages or claims associated with the failure of the SIM application to operate as expected by DISH on AT&T Mobility's network and with Covered Devices.

    b. As of the Effective Date, [***]; provided, however, that the parties may agree on additional approved vendors from time to time in writing. [***]

    c. SIM cards may be sold and distributed to: (i) End Users for use with a Covered Device; and (ii) DISH's direct or indirect sales agents and distributors selling Services on behalf of DISH solely for further sale and distribution to End Users for use with a Covered Device. Other than individual SIM sales to End Users for use with a Covered Device and sales in bulk or otherwise to DISH's direct or indirect sales agents for the purposes set forth above, SIM cards may not be sold to any other third party. DISH shall ensure that all direct and indirect sales agents and distributors are instructed that sales of SIMs in violation of the foregoing restrictions are not permissible and shall use reasonable efforts to include such restrictions in contracts where possible. AT&T Mobility reserves the right to deny Service, either upon activation or subsequently, to SIMs appearing on AT&T Mobility's service deny lists for one of a variety of reasons including, but not limited to cases where the SIM is stolen, has been used for "spam" or fraudulent purposes, is not used in a DISH Covered Device, or is defective. AT&T Mobility will notify DISH in such cases as to the reason for denial of Service for each such SIM. AT&T Mobility is not liable to DISH or End Users if Service is denied. DISH shall reasonably cooperate with and assist AT&T Mobility in preventing fraudulent use of SIM cards, including but not limited to canceling or suspending SIMs or End User accounts involved in fraud, investigating claims of “spam” or other Fraudulent Activity relating to or originating from a particular SIM, and taking appropriate action, up to and including termination where appropriate, against any agent, distributor or other third party that violates any provisions of this Section.

d. DISH shall include in the terms and conditions of service with its Active End Users language substantially similar to the following (or such replacement language as AT&T Mobility may specify upon not less than [***]days prior written notice): [***]

11. OCN and SPID. DISH must have an Operating Company Number (OCN) and Service Provider ID (SPID) for purposes of FCC mandated Wireless Local Number Portability. The OCN and SPID must be communicated to AT&T Mobility to ensure proper loading into AT&T Mobility Numbers Management and Billing Systems. DISH is solely responsible for managing all aspects of the porting process for its End Users.

12. Testing in New or Modified Markets. Prior to DISH providing Services in a Market, or upon the addition, deletion or modification of a Market, DISH must perform all testing reasonably required by AT&T Mobility, and AT&T Mobility must provide prior written approval for DISH to offer Services in such Market. If DISH does not, it will not be allowed to offer Services in such Market.

13. Security Requirements. DISH and any vendor or supplier engaged by DISH to use, test or access any AT&T Mobility systems shall comply with the Information Security Requirements - DISH attached hereto as Schedule 4.

ARTICLE VII
ADVERTISING AND PROMOTION

During the Term, DISH shall not make without AT&T’s express written prior consent any public statements (other than as required to comply with public securities laws) or marketing or network claims that: [***] Notwithstanding the preceding, AT&T Mobility’s consent is expressly granted for DISH to repeat any information that is included in its SEC filings during its quarterly earnings calls, at industry trade shows or conferences or in other similar non-marketing related public forums. DISH shall use commercially reasonable efforts to provide notice to AT&T Mobility to the extent DISH seeks to identify AT&T Mobility as the wireless provider for DISH’s MVNO Subscriber service offerings in response to regulatory inquiries. [***]

AT&T Mobility reserves a limited right to review any materials used or distributed by DISH that relate to [***]. In no event will DISH imply in any statement that AT&T Mobility is responsible, financially or otherwise, for the performance by DISH of its obligations to End Users, except as otherwise set forth herein.

DISH shall, at its own cost and expense, be responsible for all aspects of marketing the Services, including developing advertisements, promotional, or other marketing materials.

ARTICLE VIII
TRADE NAME AND TRADEMARK

1. Marks. Both parties recognize the right, title and interest of the other party in and to all Marks owned by that party and agree to not engage in any activity or commit any act, directly or indirectly, that may

contest, dispute or otherwise impair such right, title or interest of the other party. Prior to either party's use of the other's Marks in any manner, the party seeking to use the Mark will submit to the party Mark is to be used, for review and approval in writing, a full and complete copy of any document or other media containing such use. Use of the Mark shall be allowed upon receipt of written authorization for such use from the party that owns the Mark.

Use of Marks upon Termination of Agreement. The obligations undertaken by the parties pursuant to this Article shall survive termination of this Agreement. In the event of such termination, the parties agree to not register or use any Marks that are the same as or confusingly similar to the Marks of the other party and to surrender or abandon its use or ownership of any Mark confusingly similar to that of the other party.

ARTICLE IX
MISCELLANEOUS UNDERTAKINGS

1. Acts of Others. Except as set forth in Article XIII, Section 1(c), neither party (a "**Non-Acting Party**") shall be liable for any act or omission of the other party (the "**Acting Party**") or any other entity (other than any Affiliate of the Acting Party or any of their contractors, agents or personnel) furnishing equipment, software or services to the Acting Party, its Affiliates or end users, nor, except as set forth in Article XIII, Section 1(c), shall the Non-Acting Party be liable for any damages or losses to the extent due to the fault or negligence of Acting Party or its Affiliates or end users or to the failure of equipment, software, or services of the Acting Party, its Affiliates or end users.

2. Change in AT&T Network Facilities and AT&T Systems. Without limiting AT&T Mobility's obligation to provide notice of Technology Sunset as set forth in Article III, Section 10 (Technology Roadmap), at the sole option of AT&T Mobility, AT&T Network Facilities and AT&T Systems may be expanded, reduced, modified or replaced during the term hereof; [***]. AT&T Mobility shall not be liable to DISH or to DISH's End Users if changes in any of the AT&T Network Facilities, AT&T Systems, operations, equipment, procedures, or services: (i) render obsolete any equipment or software provided by DISH or End User in conjunction with its use of the Services: (ii) require modification or alteration of such equipment or software; or (iii) otherwise affect DISH's performance.

3. Change in Covered Territories. Without limitation of DISH's rights under Section 4 of Article II ([***]) in the event of a Cessation of Operations pursuant to this Section 3, in AT&T's Sole Discretion the Covered Territories may [***]

4. Codes and Passwords. DISH assumes sole responsibility for selection and use of any code or passwords as may be permitted to access any secured features on the Services, such as prepaid calling features or voice mail. AT&T Mobility shall have no responsibility or obligation for security of communications of End User using the Services, beyond its duty to exercise ordinary care.

5. Offshore Work. [***].

6. [***].

    a. [***].

ARTICLE X
RESTRICTIONS ON USE

1. Fraudulent Activity. **"Fraudulent Activity"** includes, but is not limited to:

2. [***]Abuse of Service. **"Abuse of Service"** includes, but is not limited to:

3. [***]Fraudulent Activity and Abuse of Service by End Users. DISH is responsible for all Fraudulent Activity and Abuse of Service associated with its End Users and Numbers and is responsible for developing its own fraud monitoring system. Notwithstanding the foregoing, if AT&T Mobility detects calling patterns indicative of Fraudulent Activity or Abuse of Service on a Number assigned to DISH, AT&T Mobility will endeavor to notify DISH via email or automated alert feeds. Such notification is offered as a courtesy only. [***], and DISH shall remain responsible for payment to AT&T Mobility for all Fraudulent Activity and Abuse of Service associated with its Numbers.

4. Fraudulent Activity and Abuse of Service by DISH. Fraudulent Activity or Abuse of Service committed by DISH (but not by any End User of DISH), may, but shall not automatically be deemed to, constitute a material breach of this Agreement depending upon the circumstance giving rise to the Fraudulent Activity or Abuse of Service. [***]

5. Prohibited Data Uses. Notwithstanding anything to the contrary contained herein (other than Article II, Section 10 ([***])), while most common uses for Internet browsing are permitted by this Agreement, AT&T Mobility may, in its Sole Discretion, prohibit any uses that cause extreme network capacity issues and interference with the network and are therefore prohibited. [***] Accordingly, AT&T Mobility reserves the right to: (i) deny, disconnect, modify and/or terminate service, without prior notice (a "**Service Takedown**"), to anyone it reasonably believes is using the data services in any prohibited manner, or to anyone whose Usage has an adverse impact on the AT&T Network Facilities, AT&T Systems or service levels, or otherwise hinders access to the AT&T Network Facilities or AT&T Systems; and (ii) otherwise protect the AT&T Network Facilities and AT&T Systems from harm, compromised capacity or degradation in performance, which may impact legitimate data flows. AT&T will notify DISH not less than [***] after the Service Takedown. Depending upon the circumstances, AT&T may restore Service upon resolution of the issue requiring the Service Takedown. End Users may not use the Services other than as provided under this Agreement and as permitted by applicable law. Data Services are for [***] use only. AT&T Mobility may, but is not required to, monitor DISH's compliance, or the compliance of End Users, with AT&T Mobility's terms, conditions, or policies.

ARTICLE XI
PROPRIETARY INFORMATION: CONFIDENTIALITY

1. Identification of Confidential Information. During the Term of this Agreement, AT&T Mobility or DISH may, but shall not be obligated to, disclose to the other party information that the disclosing party considers proprietary or confidential. Such information may include, but is not limited to, product roadmaps, AT&T Mobility's Subscriber Product Engineering device requirements, related technical product certification process documentation (including handsets and other mobile devices), future technology and service plans of either party in relation to such devices and/or features, discoveries, ideas, concepts, know-how, techniques, designs, specifications, drawings, blueprints, tracings, diagrams, models, samples, flow charts, data, computer programs, disks, marketing plans, network information and other technical, financial or business information, and Consumer Information defined below (individually and collectively, "Confidential Information"). Confidential Information that is disclosed, whether provided in tangible or intangible form, including, but not limited to, electronic mail or other electronic communications, shall be deemed to be confidential or proprietary if it is identified by the party that disclosed such Confidential Information or on whose behalf such Confidential Information was disclosed as being confidential or proprietary. Notwithstanding the failure of a party to mark or designate Confidential Information as confidential, any information that by its nature or under the particular circumstances of disclosure should be understood to be confidential

or proprietary by a party exercising reasonable judgment shall be protected as set out in this Agreement. Nothing contained in this Agreement shall be construed as granting, transferring or conferring any patent, copyright, trademark or other proprietary rights by license or otherwise in any such Confidential Information, except for the right to use such Confidential Information in accordance with this Agreement. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, EACH DISCLOSING PARTY MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY NATURE WHATSOEVER WITH RESPECT TO ANY INFORMATION FURNISHED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR WARRANTIES AGAINST INFRINGEMENT

2. Requirements for Confidential Information. The receiving party agrees to:

   a. hold such Confidential Information in confidence with the same degree of care with which the receiving party protects its own confidential or proprietary information, but no less than reasonably prudent care;

   b. restrict disclosure of the Confidential Information solely to its employees, contractors and agents with a need to know such Confidential Information, advise those persons of their obligations hereunder with respect to such Confidential Information, and assure that such persons are bound by obligations of confidentiality no less stringent than those imposed in this Agreement;

   c. use the Confidential Information only as needed for the purposes of performing the receiving party's obligations or exercising the receiving party's rights under this Agreement;

   d. not copy, distribute, or otherwise use such Confidential Information or knowingly allow anyone else to copy, distribute, or otherwise use such Confidential Information except in accordance with the purpose for which such Confidential Information was shared, and ensure that any and all copies made in accordance with this restriction shall bear the same notices or legends, if any, as the originals; and

   e. upon request, promptly destroy or return to the disclosing party all Confidential Information.

3. Exceptions. The receiving party shall have no obligation to preserve the confidential or proprietary nature of any Confidential Information (and, for purposes of clarity, Consumer Information) that:

   a. Was already known to the receiving party free of any obligation to keep it confidential at the time of its disclosure by the disclosing party, as evidenced by the receiving party's written records prepared prior to such disclosure;

   b. is or becomes publicly known through no wrongful act of the receiving party;

   c. is rightfully received from a third person having no direct or indirect secrecy or confidentiality obligation to the disclosing party with respect to such Confidential Information;

   d. is independently developed by an employee, contractor or agent of the receiving party or a third party not associated with the purpose of the disclosure and who did not have any direct or indirect access to the Confidential Information, as evidenced by the receiving party's written records; or

   e. is approved for release by written authorization by the disclosing party.

Notwithstanding the preceding or anything to the contrary in Section 9 of this Article XI, the parties acknowledge and agree that the use and/or disclosure of certain Consumer Information may be restricted by applicable law and that nothing in this Article XI, Section 3 shall relieve a party of its obligations to comply with applicable law.

4. Disclosure of Confidential Information Subject to Order. If the receiving party is required to disclose any Confidential Information of the other party pursuant to an order of a duly empowered government agency or a court of competent jurisdiction, the receiving party will provide due notice to the disclosing party and an adequate opportunity for the disclosing party to intervene, unless such notice is prohibited by such order. In any event, if ultimately required to disclose such Confidential Information, the receiving party shall disclose only such Confidential Information as is expressly required by the order and shall use its reasonable efforts to obtain confidential treatment for any Confidential Information that is so disclosed.

5. Consumer Information. "**Consumer Information**" includes, but is not limited to, (i) an End User's name, address, or phone number, (ii) information concerning an End User's calling patterns, (iii) unlisted Numbers, (iv) any other information associated with an End User or with persons in the household of an End User, (v) any information available to the End User's service provider and/or its suppliers by virtue of acting as a provider of telecommunications, Internet, information or other services, including, but not limited to, the quantity, technical configuration, location, type, destination, amount of use of telecommunications or other services subscribed to, (vi) information contained on the telephone bills of consumers pertaining to telephone service or other services received by a consumer, and (vii) any information that qualifies as CPNI, whether or not such information falls within (i)-(vi), in each case that is obtained by AT&T Mobility directly from DISH, a DISH Affiliate or in the course of providing the Services hereunder. Subject to Section 3 above, Consumer Information shall remain the sole confidential information of DISH.

6. Term. Any Confidential Information that is disclosed by one party to another shall remain confidential [***]. Any disclosed Confidential Information shall be deemed the sole property of the disclosing party, who exclusively shall retain all rights to such Confidential Information.

7. Violation of Confidentiality. In the event the receiving party discloses, disseminates, or releases any Confidential Information received from another party, except as expressly permitted under this Agreement, such disclosure, dissemination, or release shall be deemed a material breach of this Agreement. In the event of such breach, the disclosing party may demand prompt return of all Confidential Information previously provided to the receiving party and terminate this Agreement. The provisions of this Section are in addition to any other legal rights or remedies the disclosing party may have in law or at equity.

8. Targeting and Use of Consumer Information. [***]

9. No development, enhancements, or modifications [***]. In the event that any enhancements, modifications or development activities were to occur under this Agreement, then DISH hereby assigns to AT&T Mobility all right, title and interest in such enhancements, modification, or development.

ARTICLE XII
WARRANTY AND LIMITATION OF LIABILITY

1. EXCEPT AS EXPRESSLY SET FORTH HEREIN, NEITHER PARTY MAKES TO THE OTHER ANY WARRANTY, EITHER EXPRESS OR IMPLIED, CONCERNING THE FACILITIES OR THE SERVICES, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE.

2. THE EQUIPMENT AND SOFTWARE CERTIFIED BY AT&T MOBILITY UNDER OR IN CONNECTION WITH THIS AGREEMENT ARE MANUFACTURED BY A THIRD PARTY. WARRANTIES FOR SUCH EQUIPMENT AND SOFTWARE, IF ANY, ARE SET FORTH IN THE WARRANTY AND SOFTWARE LICENSE AGREEMENTS THAT ACCOMPANY THE EQUIPMENT AND SOFTWARE. AT&T MOBILITY SHALL NOT BE LIABLE FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES FOR BREACH OF SUCH WARRANTIES.

3. THE LIABILITY OF EITHER PARTY FOR ACTUAL, PROVEN DAMAGES FOR ANY CAUSE WHATSOEVER, RELATED TO THE SERVICES AT&T MOBILITY PROVIDES UNDER THIS AGREEMENT TO DISH OR OTHERWISE RELATED TO THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO MISTAKES, OMISSIONS, INTERRUPTIONS, DELAYS, ERRORS OR DEFECTS IN TRANSMISSION, AND REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, INCLUDING NEGLIGENCE, SHALL BE LIMITED TO AN AMOUNT [***] IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES; [***].

4. External information, applications, and other Content is provided by DISH or one or more contractors. AT&T MOBILITY IS NOT A PUBLISHER OF THIRD-PARTY INFORMATION, APPLICATIONS, OR OTHER CONTENT AND IS NOT RESPONSIBLE FOR ANY OPINIONS, ADVICE, STATEMENTS, OR OTHER INFORMATION, SERVICES OR GOODS PROVIDED BY DISH OR ANY THIRD PARTY CONTENT PROVIDER. Third Party Content Providers may impose additional charges to End Users. Policies regarding intellectual property, privacy and other policies or terms of use may differ among Third Party Content Providers, and End Users are bound by such policies or terms when they visit their respective sites or use their services. Any information End Users involuntarily or voluntarily provide third parties is governed by such third party's policies or terms. The accuracy, appropriateness, Content, completeness, timeliness, usefulness, security, safety, merchantability, fitness for a particular purpose, transmission or correct sequencing of any application, information or downloaded data of any Third Party Content Provider is not guaranteed or warranted by AT&T Mobility. Delays or omissions may occur. AT&T Mobility shall not be liable for any loss or injury arising out of or caused, in whole or in part, by DISH's or an End User's use of any information, application or Content provided by DISH or any Third Party Content Provider, acquired through the data Services.

5. DISH warrants that it is authorized to use any name associated with the Services that DISH lists in any directory.

ARTICLE XIII
INDEMNIFICATION

1. [***].

2. [***].

3. [***].

ARTICLE XIV
TERMINATION

1. Termination Upon Event of Default: Either party may terminate this Agreement upon the occurrence of an "event of default" by the other, provided that the non-defaulting party advises the defaulting party in writing of the event of default and the defaulting party does not remedy the event of default within [***] (each a "**Cure Period**"). Except as otherwise provided in this Agreement, such termination shall be effective upon expiration of the applicable Cure Period if the default is not cured. An event of default is limited to the following:

    a. A party's insolvency or the initiation of bankruptcy or receivership proceedings by or against a party that are not dismissed within [***]days;

    b. [***]

    c. [***], the material breach of any of the terms or conditions of this Agreement;

    d. The execution by either party of an assignment for the benefit of creditors or any other transfer or assignment of a similar nature or a party's seeking relief under any applicable bankruptcy reorganization, moratorium or similar debtor laws (it being understood that the execution of any third party financing agreement(s) shall not constitute an event of default);

    e. [***]

    f. The material violation or breach of any FCC rule or regulation or other applicable law in connection with the Service, which violation or breach has a material adverse effect on the non-breaching party.

2. Change in Control of DISH. DISH shall deliver to AT&T Mobility written notice of any DISH Change in Control no later than five (5) Business Days after the occurrence of such DISH Change in Control Date, and, subject to Article XIV, Section 4 (Effect of Termination), AT&T Mobility may terminate this Agreement [***].

3. [***].

4. Effect of Termination. If this Agreement expires or is terminated (i) for the occurrence of an event of default by DISH that is not remedied within the Cure Period, (ii) pursuant to Article II (Section 3(c)) ([***]; Right to Terminate), or (iii) pursuant to Article XIV, Section 2 (Change in Control of DISH), any unmet balance of the Spend Commitment will be paid [***] during the Transition Period and, for purposes of clarity, immediately if there is no Transition Period. [***].

5. Transition Period. Upon expiration or termination of the Agreement, AT&T will cooperate with DISH to enable End Users on Covered Networks to continue using Services for a transition period not to exceed [***] (the **"Transition Period"**) in accordance with the terms and conditions set forth in the Agreement; provided that (1) DISH will no longer have any obligations with respect to the [***] Commitment [***]; (2) DISH will discontinue the activation of new DISH MVNO Subscribers during the Transition Period, provided that all activations of DISH MVNO Subscribers that occur [***]following the termination or expiration date will be deemed to have occurred prior to such termination or expiration; (3) rates/pricing throughout the Transition Period [***]; and (4) it will be assumed by both parties that DISH will continue its operations for its existing End Users at such time, and AT&T Mobility and DISH will cooperate as necessary to enable existing End Users to continue the Services (including the ability for such existing End Users to purchase additional Services) with minimal disruption. For the avoidance of doubt, DISH may perform upgrades/line-adds/renewals for any End Users on Covered Networks during the Transition Period; provided, however, that the right set forth in this sentence will expire after [***]of the Transition Period. [***]

6. Survival of Obligations. Termination of this Agreement for any cause shall not release either party from any liability, including any payment obligation, that at the time of termination has already accrued to the other party or that thereafter may accrue in respect of any act or omission prior to termination. Further, termination of this Agreement shall not relieve either party from any obligation that is expressly stated herein to survive termination, or that under the circumstances reasonably should survive termination; provided, however, that either party may, without liability, cancel any previously accepted orders for Numbers that have not been connected immediately upon the giving or receiving of any notice of termination hereunder. For clarity, each party shall continue to comply with the security requirements applicable to it as set forth in Schedule 4 (Information Security Requirements) hereto for so long as such party retains or has access to any information covered by such requirements.

7. Loss of Regulatory Authority. AT&T Mobility may terminate this Agreement at any time without penalty (i) should it cease to be licensed by the FCC to provide cellular service in all or a substantial part of the Covered Territories, (ii) should it otherwise not be permitted by any governmental or regulatory body to provide cellular service in all or a substantial part of the Covered Territories, or (iii) should regulatory action substantially and negatively impact AT&T Mobility's offer of the Services on the terms set forth herein. AT&T Mobility shall provide notice to DISH of any such regulation or inability to provide the Services within [***].

ARTICLE XV
[***]; ARBITRATION

1. [***]. Without limitation of and subject to each party's right to seek injunctive relief in accordance with Article XV Section 4 below, the parties agree to attempt to resolve all disputes under this Agreement in accordance with the dispute resolution procedures set forth herein. [***].

2. WAIVER OF JURY TRIAL. TO THE EXTENT PERMITTED BY APPLICABLE LAWS, EACH PARTY HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

3. Arbitration. Except as otherwise set forth herein, the parties agree to settle any dispute arising out of or related to this Agreement through consultation and negotiation in good faith and in the spirit of mutual cooperation. Any dispute arising out of or related to this Agreement that cannot be resolved by negotiation shall be settled by binding arbitration in accordance with the J.A.M.S./ENDISPUTE

Arbitration Rules and Procedures ("**Endispute Rules**"), as amended by this Agreement. Such arbitration shall be held at a location agreed upon by the parties. The parties will jointly select one (1) independent arbitrator familiar with the wireless telecommunications industry, provided that if the parties cannot agree on an arbitrator, the selection shall be made by J.A.M.S./ENDISPUTE in accordance with the Endispute Rules. Either party may request that the arbitrator resolve any dispositive motion before hearing evidence on the merits of the dispute. Such dispositive motions may include motions to dismiss or motions for summary judgment. If a party requests that the arbitrator resolve a dispositive motion, the arbitrator may, before hearing any evidence on the merits of the dispute, receive and consider any written or oral arguments regarding the dispositive motion and receive and consider any evidence specifically relating thereto, and may decide such motion. Any award rendered by the arbitrator shall be conclusive and binding upon the parties hereto, provided that any such award shall be accompanied by a written opinion of the arbitrator giving the reasons for the award. The costs of arbitration, including the fees and expenses of the arbitrator, shall be shared equally by the parties unless the arbitration award provides otherwise. Each party shall bear the cost of preparing and presenting its case. The parties agree that this provision and the arbitrator's authority to grant relief shall be subject to the United States Arbitration Act, 9 U.S.C. 1-16 et seq. ("USAA"), the provisions of this Agreement and the ABA-AAA Code of Ethics for Arbitrators in Commercial Disputes. In the event of a conflict between the USAA and the Endispute Rules, the Endispute Rules shall govern. In no event shall the arbitrator have the authority to make any award that provides for punitive or exemplary damages. The award may be confirmed and enforced in any court of competent jurisdiction. All post-award proceedings shall be governed by the USAA.

4. Exceptions to Arbitration. The parties agree that claims for breach of confidentiality, claims regarding unauthorized use of the other party's Marks or other intellectual property rights, and claims seeking injunctive relief will not be subject to arbitration as set forth above unless expressly and mutually agreed by the parties. Such claims shall be adjudicated by a court of competent jurisdiction.

5. ALL DISCUSSIONS AND DOCUMENTS PREPARED PURSUANT TO ANY ATTEMPT TO RESOLVE A DISPUTE UNDER THIS PROVISION ARE CONFIDENTIAL AND FOR SETTLEMENT PURPOSES ONLY AND SHALL NOT BE ADMITTED IN ANY COURT OR OTHER FORUM AS AN ADMISSION OR OTHERWISE AGAINST A PARTY FOR ANY PURPOSE INCLUDING THE APPLICABILITY OF FEDERAL AND STATE COURT RULES.

ARTICLE XVI
MISCELLANEOUS

1. Applicable Law. The validity, construction and performance of this Agreement shall be governed by and interpreted in accordance with the laws of the State of New York.

2. Effects of Headings. Headings to articles and paragraphs of this Agreement are to facilitate reference only, do not form a part of this Agreement, and shall not in any way affect the interpretation hereof.

3. Assignment. Neither party may assign, delegate, or otherwise transfer its rights or obligations under this Agreement, voluntarily or involuntarily, whether by merger, consolidation, dissolution, operation of law, or any other manner, without the prior written consent of the other party, except as follows: each of AT&T and DISH (in its capacity as such, an "**Assigning Party**") may assign its rights, interests and obligations under this Agreement to any direct or indirect subsidiary of AT&T Inc. (in the case of AT&T) and any person or entity other than a [***]Party (in the case of DISH) (e.g., a permissible DISH assignee includes DISH Network Corporation and any of its direct and indirect subsidiaries) without the approval of the other party, in the Assigning Party's Sole Discretion; provided, however, that DISH may assign to such party only if such party and its Affiliates own all or substantially all of

the DISH Wireless Business following such assignment. Any assignment in violation of this Section constitutes a material breach of this Agreement.

4. Non-Waiver. Unless expressly agreed in writing, no failure or delay in requiring satisfaction of a condition of this Agreement or exercising any rights or remedies hereunder shall constitute or be deemed a waiver of any such right or remedy. No course of dealing shall operate as a waiver or estoppel of any right, remedy or condition hereunder.

5. Independent Contractor. DISH is not authorized to act as an agent for or local representative of AT&T Mobility, and DISH shall not have authority to assume or create any obligation on behalf of, in the name of, or binding upon, AT&T Mobility, nor to represent AT&T Mobility as a distributor in any manner not specifically provided for herein, and all sales by DISH shall be in its own name and for its own account.

6. Force Majeure. The parties' performance under this Agreement shall be excused if the non-performance is due to epidemics, labor difficulties, governmental orders, adoption of laws after the Effective Date that prevents a party's performance under this Agreement, equipment failure, inability or delay in securing equipment, civil commotion or terrorism, acts of God, weather disturbances or conditions, [***] (each an "**Event of Force Majeure**") for the period of time that the force majeure condition exists.

7. Compliance with Laws.

   a. The parties shall comply with all federal, state and local laws, rules, regulations, and court orders, and governmental agency orders, including FCC rules, regulations, and orders relating to resellers, applicable to them in connection with this Agreement. DISH covenants and warrants that it will at all times maintain all Federal, state and local licenses appropriate and necessary for the conduct of its business and for the resale of AT&T Mobility's Services. Upon AT&T Mobility's written request, DISH will provide true and correct copies of all such licenses, together with appropriate evidence of all applicable renewals, extensions or changes of such licenses. AT&T Mobility covenants and warrants that it will at all times maintain all Federal, state and local licenses appropriate and necessary for the conduct of its business and for the provision of the Services. Upon DISH's written request, AT&T Mobility will provide true and correct copies of all such licenses, together with appropriate evidence of all applicable renewals, extensions or changes of such licenses.

   b. DISH agrees to cooperate with and provide all assistance to AT&T, which it is legally required or authorized to provide to law enforcement and other designated competent authorities in any location in which the Service is provided hereunder [***].

   c. Each party acknowledges and agrees that the other party may submit this Agreement (including for clarity, the schedules and exhibits attached hereto) to the United States Securities and Exchange Commission (the **"SEC"**) or any other regulatory body and if a party intends to submit this Agreement to the SEC or any other regulatory body, such party agrees to consult with the other party with respect to the preparation and submission of a confidential treatment request for this Agreement, or if permitted by applicable rule, law or other regulation, the filing of this Agreement with the SEC or other regulatory body with confidential provisions redacted without submitting a confidential treatment request or, as applicable, with a confidential treatment request. If a party is required by rule, law, order or other regulation to make a disclosure of the terms of this Agreement in a filing with or other submission to the SEC or any other regulatory body, and (i) such party has provided copies of the disclosure to the other party as far in advance of such filing or other disclosure as is reasonably practicable under the circumstances, (ii) such party has promptly notified the other party in writing of such requirement and any respective timing constraints, and (iii) such party has given the other party a reasonable time under the circumstances from the date of notice by such party of the required disclosure to comment upon, request confidential treatment of or approve such disclosure, then such party will have the right to make such disclosure or request confidential treatment at the time and in the manner reasonably determined by its counsel to be required by rule, law, order or other regulation. Notwithstanding anything to the contrary herein, it is hereby understood and agreed that if a party is seeking to make a disclosure as set forth in this Section 7(c), and the other party provides comments within the respective time periods or constraints specified herein or within the respective notice, the party seeking to make such disclosure or its counsel, as the case may be, will in good faith (A) consider incorporating such comments and (B) use commercially reasonable efforts to incorporate such comments, limit disclosure or obtain confidential treatment to the extent reasonably requested by the other party.

8. Notices.

   a. Except as otherwise expressly provided in this Agreement, all notices, requests, demands, and other communications required under this Agreement, must be in writing and are considered given if delivered personally, sent by first-class certified mail, return receipt requested, or sent by nationally-recognized overnight carrier to the current address for official notices under this Agreement. The official addresses for notices under this Agreement may be changed by written notice to the other party in accordance with this Section.

   b. AT&T Mobility may establish an electronic communication system between AT&T Mobility and DISH for the purpose of handling notices hereunder relating to the assignment of Numbers, the connection and disconnection thereof, the reporting of trouble with the Services or the AT&T Network Facilities and such other processes and purposes as AT&T Mobility may from time to time specify; provided, however, that electronic communication (including email) shall not satisfy the notice requirements if such notice is required under this Agreement. For clarity, any notice required to be given under this Agreement will only be considered given if completed in accordance with the terms of Article XVI, Section 8.a. Notices pursuant to electronic communications shall be deemed received on the date set forth on the written verification of such notice or the date shown on the electronic communication.

9. Severability. Should any provision of this Agreement be declared invalid or unenforceable by any government authority, arbitrator, or court of competent jurisdiction, such provision will be enforced to the maximum extent permissible so as to effect the intent of the parties, and the remainder of this Agreement will remain in full force and effect.

10. Incorporation by Reference. All schedules and exhibits attached hereto are hereby incorporated into this Agreement and made a part hereof. If there is any conflict between such schedules and exhibits and the terms of this Agreement, such schedules and exhibits will control.

11. Counterparts. This Agreement may be executed in several counterparts, each of which will be deemed to be an original, all of which, when taken together, will constitute one and the same instrument. Signatures transmitted electronically will be binding for all purposes hereunder.

12. Controlling Document. EXCEPT AS EXPRESSLY AGREED IN WRITING BY THE PARTIES, ANY PRIOR WRITTEN OR ORAL AGREEMENTS BETWEEN THE PARTIES WITH RESPECT TO THIS SUBJECT MATTER, ALONG WITH ANY AMENDMENTS OR ATTACHMENTS TO

SUCH AGREEMENTS, SHALL BE SUPERSEDED BY THIS AGREEMENT AND SHALL BE OF NO FORCE AND EFFECT. THIS AGREEMENT MAY NOT BE MODIFIED OR OTHERWISE AMENDED EXCEPT BY WRITTEN CONSENT OF BOTH PARTIES.

Schedule 1A

[***]

Exhibit 1 to Schedule 1A

[***]

Exhibit 2 to Schedule 1A

[***]

Schedule 1B

[***]

Exhibit 1 to Schedule 1B

[***]

Exhibit 2 to Schedule 1B

[***]

Exhibit 3 to Schedule 1B

[***]

Schedule 1C

[***]

Schedule 1D

[***]

Exhibit 1 to Schedule 1D

Reserved

Schedule 2

[***]

Schedule 3A

[***]

Schedule 3B

[***]

Schedule 4

[***]

Schedule 6

Inbound Roaming Schedule

[***]

Exhibit 1

Wireless Services

[***]

Exhibit 2

Reserved

Exhibit 3

[***]

Exhibit 4

[***]

Exhibit 5

[***]

Exhibit 6

[***]

Exhibit 7

[***]

Schedule 7

[***]

Schedule 8

[***]

Schedule 9

[***]

EXHIBIT 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
Section 302 Certification

I, W. Erik Carlson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of DISH Network Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 4, 2021

/s/ W. Erik Carlson
President and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
Section 302 Certification

I, Paul W. Orban, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of DISH Network Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2021

/s/ Paul W. Orban
Executive Vice President and Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
Section 906 Certification

Pursuant to 18 U.S.C. § 1350, the undersigned officer of DISH Network Corporation (the "Company") hereby certifies that to the best of his knowledge the Company's Quarterly Report on Form 10-Q for the three months ended September 30, 2021 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 4, 2021

Name: */s/ W. Erik Carlson*

Title: President and Chief Executive Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
Section 906 Certification

Pursuant to 18 U.S.C. § 1350, the undersigned officer of DISH Network Corporation (the "Company") hereby certifies that to the best of his knowledge the Company's Quarterly Report on Form 10-Q for the three months ended September 30, 2021 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: November 4, 2021

Name: */s/ Paul W. Orban*

Title: Executive Vice President and Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.