

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

Form 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 17, 2022

ECHOSTAR CORPORATION

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation)

001-33807

(Commission File Number)

26-1232727

(IRS Employer Identification No.)

100 INVERNESS TERRACE E.,

ENGLEWOOD,

COLORADO

(Address of principal executive offices)

80112

(Zip Code)

(303) 706-4000

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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, \$0.001 par value	SATS	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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. ☐

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On February 22, 2022, EchoStar Corporation (the “Company”) announced that Hamid Akhavan will join the Company as its Chief Executive Officer and President. Mr. Akhavan will commence employment with the Company on or around March 31, 2022. In connection with the foregoing, the Company also announced on February 22, 2022 that Michael Dugan would be stepping down as the Company’s Chief Executive Officer simultaneously with Mr. Akhavan’s commencing employment. The Company further announced that Mr. Dugan will continue to serve as a member of the Company’s Board of Directors.

Prior to joining the Company, Mr. Akhavan served as a Partner at Twin Point Capital, an investment firm, beginning in April 2018, and from March 2016 to April 2018, he was a Founding Partner of Long Arc Capital LLC. Prior March 2016, Mr. Akhavan held a variety of leadership positions, including as CEO of Unify, Inc. (formerly Siemens Enterprise Communications), and CEO of T-Mobile International, in connection with which, he also served as a member of the Board of Management of Deutsche Telekom. Mr. Akhavan has been a member of the Board of Directors of Vonage Holding Corp., a global cloud communications company, since 2016, and also serves on that Board’s Technology and Transactions Committees. In addition, since 2020, Mr. Akhavan has served as a member of the Board of Directors of Anterix Inc., a wireless communications company, and is a member of its Compensation and Nominating and Corporate Governance Committees.

In connection with his employment, Mr. Akhavan entered into an offer letter with the Company, dated as of February 17, 2022 (the “Offer Letter”). Pursuant to the Offer Letter, Mr. Akhavan will receive an annual base salary of \$1,000,000, and will be entitled to earn a performance-based annual cash award in a target amount equal to \$1,000,000 (although Mr. Akhavan will be guaranteed to receive an annual cash award of at least \$750,000 with respect to the 2022 calendar year, so long as he commences employment on or before March 31, 2022, and remains employed through December 31, 2022). Mr. Akhavan will also be granted an award of 700,000 stock options and 300,000 restricted stock units, both of which will vest in annual installments over a three year period, with certain accelerated vesting in the event that Mr. Akhavan experiences certain terminations of employment, or upon the occurrence of certain extraordinary corporate transactions.

The information set forth herein is qualified in its entirety by reference to, and is set forth more fully in, the Offer Letter, which is furnished herewith as Exhibit 10.1 to this Current Report on Form 8-K, and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
10.1	Offer Letter dated February 17, 2022.
99.1	Press Release dated February 22, 2022 issued by EchoStar Corporation.

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 hereunto duly authorized.

ECHOSTAR CORPORATION

Date: February 22, 2022

By: /s/ Dean A. Manson
Dean A. Manson
Executive Vice President, General Counsel and Secretary

February 17, 2022

Dear Hamid,

EchoStar Corporation is pleased to offer you the position of CEO and President in Germantown, MD, starting on or before March 31, 2022. In this role, you will report to me and will receive a bi-weekly salary of \$38,461.53, which is equivalent to 1 million dollars annually. Additional compensation will be provided as follows:

- A separate performance-based cash award for 1 million dollars annually where the specific amount and timing for the payout of such award (if any) depends upon the achievement by EchoStar of certain specified long-term business objectives. This performance-based cash award is subject to your acceptance of the terms and conditions of a performance-based cash award agreement and the approval of the EchoStar Compensation Committee. For the 2022 calendar year, you will be guaranteed to receive a performance-based cash award of \$750,000, subject to your commencing employment on or before March 31, 2022 and your continued employment through December 31, 2022.
- A grant of an option to purchase 700,000 shares of EchoStar Class A common stock (the “Sign-On Options”). The Sign-On Options will have a 10-year term and will vest over a 3-year period in substantially equal annual installments on the first 3 anniversaries of the date of grant. The exercise price per share applicable to the Sign-On Options will be the fair market value (which will be the closing price as reported on the NASDAQ Stock Market) of EchoStar’s Class A common stock on the date of grant (or, if the date of grant is not a trading day, the last trading day prior to the date of grant).
- A grant of 300,000 Restricted Stock Units (the “Sign-On RSUs”). The Sign-On RSUs will vest over a 3-year period in equal annual installments on the first 3 anniversaries of the date of grant.
- So long as you commence employment on or before March 31, 2022, it is expected that your Sign-On Options and Sign-On RSUs will be granted on the next regular grant date following your start date, subject to approval by the EchoStar board of directors. EchoStar’s regular grant dates are generally the first day of each calendar quarter. Both the Sign-On Options and the Sign-On RSUs are subject to your acceptance of the terms and conditions of a stock option agreement and a restricted stock unit agreement, respectively, each of which are to be approved by the Chairman. Such stock option and restricted stock unit agreements will contain standard EchoStar restrictive covenant provisions, including non-compete and non-solicit covenants.
- If your employment is terminated by EchoStar without cause or due to your constructive termination (which will be triggered by either a change in your title to one that is subordinate to CEO, or a material reduction in your responsibilities, in each case, without your prior consent) (either such termination, a “Qualifying Termination”), (i) the one-third tranche of your Sign-On Options and the one-third tranche of your Sign-On RSUs that are scheduled to vest on the next scheduled annual vesting date (if any) will vest in full upon your termination of employment (the “Next Vesting Tranche”), and (ii) if the Qualifying Termination occurs prior to the 2nd anniversary of grant, an additional portion of the Sign-On Options and the Sign-On RSUs will vest, reflecting vesting “credit” for any completed 6-month period that has elapsed during the then-current 12-month vesting period (the “Additional Semi-Annual Tranches,” and together with the Next Vesting Tranche, the “Additional Vesting Tranches”), such that, upon a Qualifying Termination, your Sign-On Options and Sign-On RSUs shall vest as follows:

Qualifying Termination Date (assuming an April 1, 2022 grant date)	Additional Vesting Tranches – Sign-On Options	Additional Vesting Tranches – Sign-On RSUs
April 2, 2022 – September 30, 2022	233,333	100,000
October 1, 2022 – March 31, 2023	349,999	150,000
April 1, 2023 – September 30, 2023	233,333	100,000
October 1, 2023 – March 31, 2024	349,999	150,000
April 1, 2024 – March 31, 2025	233,334	100,000

For the sake of clarity, if you experience a Qualifying Termination on April 1, 2023 or April 1, 2024, the applicable Additional Vesting Tranches set forth above will vest *in addition* to the one-third portion of your Sign-On Option and Sign-On RSU that is scheduled to vest on such date.

Your entitlement to vest in the Additional Vesting Tranches upon a Qualifying Termination as described in this paragraph is contingent upon your executing and not revoking a release of claims in connection with your Qualifying Termination.

- Upon the first to occur of (i) EchoStar's shares no longer being publicly traded on the NASDAQ Stock Market or any other established securities market, and (ii) the consummation of a transaction or a series of related transactions, the result of which is that DISH Network Corporation beneficially owns more than 50% of the total voting power of EchoStar's voting stock, the Additional Vesting Tranches will vest in full, subject to your continued employment as of such date.
- If, at any point during your employment, there is a change in control of EchoStar such that neither I nor the persons and trusts related to me have the authority to elect the majority of the members of EchoStar's board of directors, any then-unvested tranches of the Sign-On Options and the Sign-On RSUs contemplated by this letter will immediately vest in full.
- You will also be eligible to participate in EchoStar employee plans (e.g., 401(k), medical, dental and other insurance plans) consistent with EchoStar's policies.

[Signatures follow]

I look forward to having you join the EchoStar team!

Please sign below indicating your acceptance of the terms set forth in this letter and return to me at your earliest convenience.

Sincerely,

/s/ Charlie Ergen
Charlie Ergen
Chairman

Acknowledged and accepted:

/s/ Hamid Akhavan
Hamid Akhavan
Date: February 17, 2022



**ECHOSTAR TO NAME HAMID AKHAVAN AS
CHIEF EXECUTIVE OFFICER AND PRESIDENT**

ENGLEWOOD, CO, February 22, 2022 --- EchoStar Corporation (NASDAQ: SATS) today announced that Hamid Akhavan will be appointed Chief Executive Officer and President, effective March 31, 2022. Akhavan will succeed Michael Dugan, who will be retiring as Chief Executive Officer and President effective March 31, 2022, after over 30 years of service to EchoStar and its predecessors.

A seasoned and results-oriented CEO and technologist, Akhavan has extensive leadership experience at major telecommunications and technology companies, including as CEO of Unify, Inc. (formerly Siemens Enterprise Communications) and CEO of T-Mobile International, where he also served as a member of the Board of Management of Deutsche Telekom. In recent years, Akhavan has been active in private equity and investing and has served on the board of directors of several public and private companies. Most recently, Akhavan has been a partner at Twin Point Capital, where he led several of the firm's recent investments in communications companies. Akhavan holds an MS in electrical engineering and computer science from MIT and a BS in electrical engineering from CalTech.

"With his extensive leadership experience, deep technical knowledge and strategic acumen, Hamid is the ideal choice to lead our global organization. I look forward to working with him in driving EchoStar's success to the next level," said Charlie Ergen, Chairman of EchoStar's Board of Directors. "I also want to thank Mike for his years of service and guidance to EchoStar. Since joining the EchoStar family in 1990, Mike has played a pivotal role in all aspects of EchoStar's business, including as president of the business unit now operated independently as DISH Network and the launch of its direct broadcast satellite service. His steady hand and leadership helped EchoStar to thrive amid a rapidly changing technological environment. Mike will be handing Hamid a strong organization ready to meet the challenges facing it today and in the future."

Dugan will remain on the board of directors and will serve as a strategic advisor to the company.

“I am delighted to have the opportunity to lead EchoStar in its next phase of growth and development,” Akhavan said. “EchoStar is an incredible technology and services company which has been a pioneer since its inception. I am looking forward to a close collaboration with Charlie and the team at EchoStar, and continuing Mike’s relentless focus on operational excellence.”

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About EchoStar

EchoStar Corporation (NASDAQ: SATS) is a premier global provider of satellite communication solutions. Headquartered in Englewood, Colo., and conducting business around the globe, EchoStar is a pioneer in secure communications technologies through its Hughes Network Systems and EchoStar Satellite Services business segments. For more information, visit www.echostar.com. Follow @EchoStar on Twitter.