



September 2009

Frequently Asked Questions for Customer Transition Incentive Program

New Next Generation Devices:

Q: What Active Equipment does the Transition Program include?

A: ALL MSAT-G2s activated on the Network with current accounts will qualify to receive a new next-generation device for each MSAT-G2 that is active with an up-to-date account.

Additionally, all commercial customers with 10 or more active devices other than MSAT-G2 radios (such as Westinghouse and Mitsubishi terminals) will receive new next-generation devices. For commercial customers that have less than 10 active Westinghouse or Mitsubishi units, customers will receive a 40% hardware subsidy (off the then-current MSRP) toward the purchase of next-generation devices.

All Government customers (Federal, state and local) with active accounts will qualify to receive new next-generation devices, regardless of equipment type.

Q: What are the terms of the Program?

- SkyTerra will provide every active MSAT-G2 customer a new next-generation device.
- SkyTerra will provide new next generation devices to all active Government customers using Westinghouse and Mitsubishi hardware.
- SkyTerra Enterprise customers with 10 or more active Westinghouse or Mitsubishi units will receive new next-generation devices.
- All active Enterprise customers with less than 10 active Westinghouse and Mitsubishi hardware will receive a 40% hardware subsidy toward the purchase of next-generation devices (not to exceed \$375 per device.)
- A 36-month new service subscription commitment for next-generation satellite services is required to receive a new or subsidized next-generation mounted device.
- A 24-month service subscription commitment for next-generation satellite services is required to receive a new or subsidized next-generation handheld device.
- Upon activation of your Next-Generation Device, your Current-Generation Device will be de-activated. Once de-activated, you will have 30 days to return your Current-Generation Device and accessories to the Company.



Q: What are the eligibility requirements?

A: To be eligible to participate in the Customer Transition Incentive Program, you must maintain active and paid service for at least 3 months prior to the commercial launch of next-generation service or turned in for the Partial Device Subsidy Amount, with an average monthly service charge during such 3-month period of at least the minimum Current-Generation Commercially Available Prevailing Rate Plan. Your account must be paid in full through the date of the exchange or receipt of the Partial Device Subsidy Amount.

Q: What is SkyTerra’s Full Device Subsidy Program for Enterprise Customers? (Non-Government)

A: Accounts with 10 or more active units, irrespective of the device make and model, including Westinghouse and Mitsubishi devices (“Other Qualified Devices”) are eligible to exchange a MSAT-G2 Device or Other Qualified Device for one standard Next-Generation Device from SkyTerra under the prevailing SkyTerra Terms and Conditions.

Q: Can you describe SkyTerra’s Partial Device Subsidy Program for Enterprise Customers? (Non-Government)

A: Accounts with less than 10 active Westinghouse and Mitsubishi units in total are eligible to receive an equipment subsidy equal to 40% of the retail price of a Next-Generation Device, up to a maximum subsidy of \$375 per device (“Partial Device Subsidy Amount”).

Q: How will retail customers be notified and receive their new devices?

A: Participants will be provided with a Transition Registration Card to be filled out by the customer and returned to SkyTerra. Customers will retain a portion of the registration card for submission to SkyTerra when they initiate an upgrade to a next-generation device.

Upon notification provided to you, or posted on the Company’s website, you must act within the notification period (no less than 90 days) to obtain your Next-Generation Device and contract for standard satellite services for at least the minimum term and amounts as mandated by the Next-Generation Device Service Commitment.

Q: What are the requirements for the Service Providers to have their SkyTerra customers participate?

A: Service Providers must provide us with proof that the participating customer has contracted for SkyTerra’s Next-Generation satellite services for at least the minimum term and amounts. Additionally, Service Providers must provide SkyTerra with the names and electronic serial numbers of participants in the Customer Transition Incentive Program, as well as proof that a customer does, in fact, qualify under the Customer Transition Incentive Program.



Q: What are the Next-Generation Device Service Commitments?

A: In order to participate in the Customer Transition Incentive Program, you must also enter into a service contract for Next-Generation satellite services at the minimum Commercially Available Prevailing Rate Plan for a period of at least 36 months to receive a Mounted Device, and a minimum period of 24 months to receive a Handheld Device.

Q: If I have a MSAT-G2 mounted in a vehicle or a building how do I replace it with a next-generation device?

A: SkyTerra will have similar equipment configurations to those currently enjoyed by our customers. Although this promotion is only focused on the physical device and not the installation or accessories, SkyTerra plans to have additional information on installation options and accessories prior to the transition.

Q: Will the new unit work together with my old units during the change out period so that I have the service available at all times no matter what combination of terminals I am using?

A: As previously announced, SkyTerra will continue to maintain the current network until the end of the "Emulation Period". Interoperability within the two networks is our goal.

Q: Do I get to try the new unit to see if I like it before my MSAT-G2 no longer works?

A: The new units will be available following the launch of our next-generation network. SkyTerra anticipates this will occur in the second half of 2011 and both networks will work in parallel until the end of the "Emulation Period".

Q: What will I do with the old equipment once the new device is activated?

A: Upon activation of your Next-Generation Device, your Current-Generation Device will be de-activated. Once de-activated, you will have 30 days to return your Current-Generation Device and accessories to the Company.

Q: When will I receive a Next-Generation Device under the Customer Transition Incentive Program?

A: A Next-Generation Device will be provided to you when SkyTerra determines to transition from its Current-Generation Devices to the Next-Generation Devices. Please note that in connection with this program, SkyTerra reserves the right to extend the Emulation Period, thereby delaying the implementation of the Customer Transition Incentive Program.

Q: What kind of warranty do I get with a MSAT-G2 unit?

A: Our current hardware comes with a 12 month warranty and this standard warranty practice will continue.



Q: When will all the MSAT-G2s be replaced and when will the CGS network no longer continue to function for customers?

A: The current network that supports the MSAT-G2 will continue to be supported until the end of 2012.

Q: What do I need to do to get a new device?

A: Specific information on the program and what customers need to do to let SkyTerra know that they want to receive the new device will be released as we get nearer to the launch of the next-generation satellite-terrestrial network.

Q: Once the new devices are available, how will I get my device? Do I need to do anything special to receive mine?

A: Shortly after the launch of our next-generation satellite we will be making contact with our customers to arrange for delivery, training and providing assistance.

Q: How much will the new next-generation devices cost?

A: Pricing of our next-generation devices has not yet been established.