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September 26, 2002

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: *Ex Parte* Presentation
IB Docket No. 01-185

Dear Ms. Dortch:

On September 26, 2002, the undersigned counsel for TMI Communications and Company Limited Partnership (TMI) and Wharton B. Rivers, Jr., CEO of TerreStar Networks, Inc. (TerreStar), met with John Branscome, Acting Legal Advisor to Commissioner Abernathy, to review the status of the above-referenced docket.

TMI and TerreStar also explained why the public interest would be best served by granting existing 2 GHz MSS licenses spectrum flexibility: it will promote market-driven use of the available spectrum while preserving the FCC's option to reallocate and auction spectrum that is forfeited by licensees which do not meet applicable construction milestones. In addition, the parties provided Mr. Branscome with eleven pages of briefing materials which amplify the foregoing points and also demonstrate that, in view of the estimated spectrum likely to be available for 3G services, it would be irrational for the FCC to propose the reallocation of additional 2 GHz spectrum now assigned to MSS systems. A copy of these materials is attached.

TMI and TerreStar also stated that they supported the adoption of reasonable technical rules to ensure that any Ancillary Terrestrial Component (ATC) remains ancillary to satellite service, including rules relating to the geographic coverage of the satellite system, handset functionality and network control. Moreover, TMI and TerreStar stressed that new services would be frustrated if ATC authority were limited to MSS systems which have been operational for one or more years. Spectrum flexibility should be available to any licensee which satisfies the FCC's basic technical requirements—there should be no prior “in-service” qualification period.

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Please direct any questions regarding this *ex parte* notice matter to the undersigned.

Very truly yours,

/s/ Gregory C. Staple

cc: John Branscome

bcc: Lon Levin (w/ out enclosure)
Zie Rivers (w/ out enclosure)
Bob Powers (w/ out enclosure)