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February 28, 2002

VIA HAND DELIVERY & ELECTRONIC MAIL

James G. Lovelace, Esq. Unit Chief/Technology Law Unit Office of the General Counsel Federal Bureau of Investigation 935 Pennsylvania Avenue Room 7877 Washington, D.C. 20535-0001

> Re: ORBCOMM LLC & ORBCOMM License Corp., Applications For Assignment of Licenses, Lead FCC File No. SAT-ASG-20010726-00068

Dear Mr. Lovelace:

ORBCOMM LLC and ORBCOMM License Corp. ("OLC", and collectively "Assignees"), by their undersigned counsel, respectfully make this submission in connection with the processing of the above-referenced pending applications before the Federal Communications Commission ("FCC") to assign authorizations associated with the ORBCOMM mobile satellite service system (the "Assignment Applications"). By the Assignment Applications, Assignee OLC seeks FCC approval to consummate the assignment of the non-common carrier NVNG MSS space segment and ground segment authorizations issued to Assignor Orbital Communications Corporation under FCC Call Signs S2103, E940534, E940535, E940536, E940537, E940538, WB2XGL & WB2XDL. Assignee ORBCOMM LLC seeks approval to consummate the assignment of authorizations issued to Assignor ORBCOMM Global, L.P. under FCC Call Signs 990057, 990058, 990059, 990060 & 990061.

You have asked for further confirmation of information we have previously provided the Federal Bureau of Investigation ("FBI") and the U.S. Department of Justice ("DOJ") regarding the

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operation, management, and ownership of the ORBCOMM system.¹ The following is provided pursuant to that request:

I. Ownership and Control of ORBCOMM LLC and OLC

A. The principal offices of ORBCOMM LLC and OLC are located at:

21700 Atlantic Boulevard Dulles, Virginia 20166 Tel: 703-433-6300

- B. OLC is a United States Corporation, organized under the laws of the State of Delaware, and is a wholly-owned subsidiary of ORBCOMM LLC.
- C. ORBCOMM LLC is a United States limited liability company organized under the laws of the State of Delaware, and is presently 91.84% owned by ORBCOMM Holdings LLC, and 8.16% owned by the bankruptcy estate of ORBCOMM Global. L.P., <u>et al</u>.²
- D. ORBCOMM Holdings LLC, is a United States limited liability company, organized under the laws of the State of Delaware whose principal office is located at:

¹ Information provided herein relating to third parties is according to Assignees' best knowledge and belief after due consideration by the Assignees of the corresponding information provided to them by these third parties.

² This distribution to the bankruptcy estate of ORBCOMM Global, L.P. (the "Estate") was made in accordance with the plan of bankruptcy reorganization (the "Plan") approved by the United States Bankruptcy Court for the District of Delaware. The referenced 8.16% ownership interest distributed to the Estate is the current equity equivalent to the 5% fully diluted interest as of the April 23, 2001 capitalization of ORBCOMM LLC, set forth in the Plan as the designated distribution to the Estate, upon the satisfaction of certain conditions. This distribution, which has now occurred, was anticipated and previously disclosed to the FCC Commission in the Assignment Applications, and in Assignees' December 4, 2001 Supplement, at Exhibit 1, p.5. These ownership units are to be distributed by the Estate, in accordance with the Plan, to certain creditors of ORBCOMM Global, L.P. ORBCOMM LLC and OLC have been advised through counsel that the Estate has not yet determined which exact creditors, and in which proportions, these ownership units will be distributed. This transaction leaves ORBCOMM Holdings LLC as a 91.84% owner of ORCBOMM LLC, and does not entail any change to the Board of Directors, or the management and control of the company. Thus, this transaction constitutes no substantial change in the direct ownership or control of Assignees ORBCOMM LLC and ORBCOMM License Corp. <u>See</u> United States Bankruptcy Court for the District of Delaware, Case Nos. 00-3636 through 00-3643.

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> 7 East Ridgewood Avenue Paramus, New Jersey 07652

- E. OLC, ORBCOMM LLC, and ORBCOMM Holdings Inc. are governed by their respective Operating Agreements in the following manner:
 - Management and control of all aspects of the conduct of the company's business is exclusively vested in each company's Board of Directors and Officers (if appointed);
 - 2) Each Board Member is afforded one equally-weighted vote.
 - Decisions of the Board are reached by majority vote; and
 - 4) a Board Member is not obligated to vote as directed by its appointing Member, but if so directed, is still duty bound to vote pursuant to his or her fiduciary duty to the company.
 - 5) Members or shareholders, respectively, have narrowly-defined rights under an equity-weighted voting regime, including the right to (a) remove Directors and appoint replacement Directors, (b) admit new Members or shareholders, (c) amend the company's LLC Operating Agreement or Bylaws, and (d) authorize the dissolution of the company.
- F. All of the present Directors of OLC were appointed by its sole shareholder ORBCOMM LLC. The current Directors for OLC are:
 - 1) James C. Eagan US citizen
 - 2) Jerome B. Eisenberg US citizen
 - 3) Don Franco US citizen
 - 4) Hyung Jin ("Gene") Song ROK (South Korea)citizen
- G. The current Directors of ORBCOMM LLC and ORBCOMM Holdings LLC are:
 - 1) James C. Eagan US citizen
 - 2) Jerome B. Eisenberg US citizen
 - 3) Don Franco US citizen

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- 4) Hyung Jin "Gene" Song ROK citizen
- 5) Hans E.W. Hoffman Germany citizen
- H. The current holders of a 10% or greater fully attributed direct and/or indirect ownership interest in ORBCOMM Holdings LLC are³:
 - 1) Jerome B. Eisenberg (14.98% fully attributed)
 - 2) Don Franco (27.33% fully attributed)
 - 3) ORBCOMM Asia Limited (21.00% fully attributed) a privately held company, with principal offices located in Seoul, Korea, all of whose owners are citizens of ROK, including Hyung Jin "Gene" Song (81.58%) and Kwang Nam Industry Ltd. (18.42%), an investment company owned 16.12% by Hyung Jin "Gene" Song, with the remaining 83.88% owned by members of Mr. Song's family, all of whom are citizens of South Korea.
 - 4) OHB Teledata AG (12.70% fully attributed) publicly traded corporation located in Bremen, Germany, with all shareholders presently owning a 10% or greater share of the company identified by OHB as citizens of the Federal Republic of Germany. Manfred Johannes Fuchs owns 22.9% of OHB Teledata AG and also serves as the company's Chairman of the Supervisory Board. Christa Fuchs owns 11.3% of the company. Centennium Venture Fund No. 1 GmbH & Co KG owns 14.5% of the company. Marco Romed Fuchs serves as Chairman of the Management Board of the company.
 - 5) ORBCOMM Asset Holdings, Ltd. (49.42% direct ownership) - a privately-held company organized under the laws of the Cayman Islands, with exactly the same owners as ORBCOMM Holdings LLC holding ownership shares that are virtually identical to the ownership of ORBCOMM Holdings LLC.

II. Future Business Endeavors:

A. The construction of additional Gateway Earth Stations ("GESs") for the Middle East, Africa, Asia, and Central

³ As indicated in this section, by a recent transaction, 49.42% of the ownership of ORBCOMM Holdings LLC was distributed to ORBCOMM Asset Holdings Ltd. The owners of ORBCOMM Asset Holdings are identical to the owners of ORBCOMM Holdings LLC. The ownership percentages held in the two companies by these same owners are virtually identical. Thus, this transaction did not result in any material change in the ownership or control of ORBCOMM Holdings LLC or Assignees.

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> Asia (including Russia) is contemplated. However, there are no new GES construction initiatives actually underway at this time.

- B. Currently do not include ORBCOMM LLC and OLC having plans to implement additional North American GESs or Gateway Control Centers ("GCCs") either in the United States or any other country.
- C. In the event that any new GES were installed such that subscriber terminals in the United States were connected to the ORBCOMM system via a GES located in another country, all message traffic generated in the United States would continue to be routed through the US GCC at Dulles, Virginia, USA regardless of the GES location.

III. Future Transfer of Control

ORBCOMM LLC and OLC will advise the FBI and DOJ in writing in advance of any contemplated or expected *de jure* or *de facto* change in ownership or control of ORBCOMM that would require the prior authorization of the FCC.

IV. Nature of The Assignment Applications

The purpose of the Assignment Applications is to consolidate the ORBCOMM system FCC licenses under ORBCOMM's new post Chapter 11 bankruptcy reorganization operating structure, and thereby ensure that the unique globally accessible low-cost mobile data services provided by the ORBCOMM system will continue to be available to current and future users in the United States and elsewhere worldwide.

V. Network Control & Nature of Services Provided

- A. The ORBCOMM mobile satellite service system, with its space segment control facilities located in Dulles, Virginia, USA, allows users to track, monitor and manage remote assets, via low speed data service to mobile terminals, through a network of thirty-five (35) Low-Earth-Orbit ("LEO") satellites and regional GESs located throughout the world.
- B. The mobile units operated pursuant to the United States FCC blanket mobile earth station license (FCC Call Sign E940534) are owned and/or operated by subscribers that

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> are residents of the United States. These mobile units are almost exclusively mounted on material assets or equipment that are owned and/or operated by the subject subscribers. The operations in the United States of all mobile units operated pursuant to this blanket license are controlled through the ORBCOMM system Network Control Center ("NCC"), located in Dulles, Virginia, USA.

- C. ORBCOMM mobile terminals that are installed on vehicles or other material assets are: (a) not designed for, nor readily capable of being made portable and functional separate from the asset/equipment on which they are installed; and (b) powered for their transmission and reception functions through a power supply associated with the subject asset or equipment on which they have been installed (<u>i.e.</u>, "hard-wired" into the asset/equipment).
- D. ORBCOMM mobile terminals are not capable of, and cannot be used for, the transmission or reception of "voice communications".
- Ε. The ORBCOMM system normally does not transmit or receive data in "real time": between and mobile terminals and the intended recipient(s). The message transfer delays inherent to the ORBCOMM system depend on several factors, including the relative location of a mobile terminal and the current GES coverage areas, and the availability of a satellite in view at the time a mobile terminal requests initiation of a message session. Message transfer delays can vary from a few seconds to a few minutes for mobile terminals operating in the continental United States. For customers with dial-up access to message traffic coming from mobile terminals, the delay periods may be longer, depending on the frequency of connection by the customer. The ORBCOMM system utilizes packet transmission, but does not limit the size of a message that can be sent over the system. However, based on operational experience to date, messages sent over the system are typically very short asset status reports containing a total of about 200 bytes or less.
- F. The ORBCOMM worldwide GES deployment is currently as follows:

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- 1. Four GESs are located in the United States to provide coverage of the US, Canada, and Mexico.
- Eight other GESs are located in Argentina, Brazil, Curacao, Italy, Japan, Korea, Malaysia, and Morocco.
- 3. None of the overseas GESs provide coverage of the United States, nor are they technically capable of doing so.
- 4. All of the GESs serving mobile terminals located in the United States are and will continue to be remotely commanded from the ORBCOMM NCC in Dulles, Virginia, USA.
- 5. All ORBCOMM system message traffic initiated by subscribers or directed to subscribers with mobile terminals operating on the territory of the United States is, by fundamental design and operation of both the ORBCOMM system space segment and ground segment, routed through the single North American Gateway Control Center and associated switching facilities (collectively referred to as "US GCC") which are physically co-located with the NCC at ORBCOMM Headquarters in Dulles, Virginia, USA.
- 6. ORBCOMM LLC and OLC will advise the FBI and DOJ in writing in advance of any plans to provide communications service within the United States utilizing a GES or other facility located outside of the United States.
- G. All message traffic generated to or from mobile terminals operating on the territory of the United States is and will be routed through the US GCC at Dulles, Virginia, USA. Hence, legal intercept of such traffic will always be possible from the US GCC at Dulles, Virginia. All ORBCOMM subscriber-related message traffic generated to or from user terminals operating on the territory of the United States is presently maintained in electronic archives in the US GCC for a period of thirty 30) days. Please note that this period may be shortened as system traffic volume increases.

VI. Future Services

The Assignment Applications do not contemplate, nor will ORBCOMM LLC and OLC undertake to provide ORBCOMM service (or any other telecommunications service, except as may be authorized by the

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FCC) via ORBCOMM mobile units authorized pursuant to the FCC blanket mobile earth station license that are:

- A. principally located outside of the United States;
- B. principally maintained outside of the United States;
- C. licensed and registered outside of the United States; or
- D. predominantly controlled by any NCC or GCC facilities located outside of the United States.
- E. ORBCOMM LLC and OLC will advise the FBI and DOJ in writing in advance of any plans to upgrade the ORBCOMM system in include any "voice" communications.

VII. US Government Customer Contracts

ORBCOMM LLC is not presently a party to any direct end-user contract that entails the provision of service to any agency of the United States government.

VIII. Technical Point of Contact

ORBCOMM LLC and OLC agree to identify to the FBI's Engineering Research Facility 24 hour contact information for its supervisory engineers and other critical points of contact for the ORBCOMM system, and to keep such information current by prompt written notice to the FBI Office of General Counsel and National Security Division of any such change. As of the date of this letter that information is the following:

> John Stolte, Vice President Technology & Operations ORBCOMM LLC 21700 Atlantic Boulevard Dulles, Virginia 20166 Tel: 703-433-6360 Cell Phone: 703-887-9114

IX. Continuing Cooperation & Assistance

ORBCOMM LLC and OLC hereby restate and confirm that they will take all reasonable measures to assist and support the FBI or any other United States federal, state or local agency with law enforcement or national security responsibilities in conducting lawfully authorized electronic surveillance. Such assistance shall include, but not be limited to, disclosure if necessary of James G. Lovelace, Esq. Unit Chief/Technology Law Unit Office of the General Counsel Federal Bureau of Investigation February 28, 2002 Page 9 of 10

technical and engineering information relating to the design, maintenance or operation of the ORBCOMM system. ORBCOMM and the agency seeking ORBCOMM's cooperation will work together in determining what is reasonable, taking into account the investigative needs of the agency and ORBCOMM's commercial interests.

As previously noted, all communications handled by the ORBCOMM system pass through the GCC and/or NCC located in Dulles, Virginia, at which electronic surveillance may be conducted and ORBCOMM LLC and OLC intend to use this as the primary facility at which electronic surveillance will be effected. However, in appropriate circumstances (as defined by the investigative needs of the agency requesting cooperation and by the commercial interests of ORBCOMM LLC and OLC), if it is technically possible James G. Lovelace, Esq. Unit Chief/Technology Law Unit Office of the General Counsel Federal Bureau of Investigation February 28, 2002 Page 10 of 10

for electronic surveillance to be effected elsewhere as well, ORBCOMM LLC and OLC will provide assistance elsewhere.

Respectfully submitted,

/S/

Walter H. Sonnenfeldt Counsel to ORBCOMM LLC & ORBCOMM License Corporation

cc: Richard Salgado, DOJ Don Franco, Director & CFO ORBCOMM LLC & OLC 21700 Atlantic Boulevard Dulles, Virginia 20166 John Stolte, Vice President Technology & Operations ORBCOMM LLC 21700 Atlantic Boulevard Dulles, Virginia 20166