

their best efforts to resist or resolve any administrative proceeding or suit, including appeals, that is instituted to challenge the grant of any such applications, (iii) furnish to the other party such information and assistance as such party reasonably may request in connection with the preparation or prosecution of any such applications, (iv) keep the other party promptly apprised of any communications with, and inquiries or requests for information from, such Governmental Authorities with respect to the transactions contemplated hereby and (v) use their best efforts to cause the condition set forth in Section 6.1(c) of this Agreement to be satisfied.

(v) Notwithstanding the covenants of the parties in Section 5.1(a), and Sections 5.1(b)(i), (ii), (iii) and (iv), nothing in this Agreement shall require, or be deemed to require, (i) the parties to agree to or effect any divestiture, hold separate any business or assets or take any other similar action if doing so would result in the expected synergies of the Merger being reduced to an amount that is no longer meaningful or (ii) the parties to agree to or effect any divestiture, hold separate any business or assets or take any other similar action that is not conditional on the consummation of the Merger. No party shall take or agree to take any action identified in clause (i) or (ii) of the immediately preceding sentence without the prior consent of the other party.

(vi) In furtherance and not in limitation of the covenants of the parties contained in Sections 5.1(b)(i), (ii), (iii) and (iv), each party shall use its best efforts to resolve such objections if any, as may be asserted with respect to the transactions contemplated hereby under any rules and regulations of the FCC ("FCC Regulation") or any Antitrust Law. In connection with the foregoing, if any administrative or judicial action or proceeding, including any proceeding by a private party, is instituted (or threatened to be instituted) challenging any transaction contemplated by this Agreement as violative of any Antitrust Law or any FCC Regulation, the parties shall, subject to Section 5.1(b)(v), use their best efforts to avoid the institution of any such action or proceeding and to contest and resist any such action or proceeding and to have vacated, lifted, reversed or overturned any decree, judgment, injunction or other order, whether temporary, preliminary or permanent, that is in effect and that prohibits, prevents or restricts consummation of the transactions contemplated by this Agreement.

(vii) If any objections are asserted with respect to the transactions contemplated hereby under any Antitrust Law or any FCC Regulation or if any suit is instituted by any Governmental Authority or any private party challenging any of the transactions contemplated hereby as violative of any Antitrust Law or FCC Regulations, the parties shall, subject to Section 5.1(b)(v) above, use their best efforts to resolve any such objections or challenge as such Governmental Authority or private party may have to such transactions under such law so as to permit consummation of the transactions contemplated by this Agreement. In furtherance and not in limitation of the foregoing, the parties (and, to the extent required by any Governmental Authority, their Subsidiaries and affiliates over which they exercise control) shall be required, subject to Section 5.1(b)(v) above, to enter into a settlement, undertaking, consent decree, stipulation or other agreement (each, a "Settlement") with a Governmental Authority regarding antitrust or FCC matters in connection with the transactions contemplated by this Agreement, including any Settlement that requires any party to hold separate (including by

establishing a trust or otherwise) or to sell or otherwise dispose of any of its assets or its Subsidiaries' assets.

(viii) Notwithstanding anything to the contrary herein, nothing in this Section 5.1(b) shall limit (a) either party's right to terminate this Agreement pursuant to Sections 7.1(b)(i) or 7.1(b)(ii), or (b) Hughes' right to terminate this Agreement pursuant to 7.1(c)(iv).

(c) Tax-Free Treatment. The parties intend the Merger to constitute a reorganization described in Section 368(a) of the Code. All of the parties and their respective affiliates shall use commercially reasonable efforts (x) to cause the Merger to qualify as a reorganization described in Section 368(a) of the Code as aforesaid, and (y) to obtain, as of the Merger Effective Time and, if required, as of the filing of the GM Proxy/Consent Solicitation Statement, the opinions (the "Tax Opinions") of Sullivan & Cromwell, special counsel to EchoStar, and Weil, Gotshal & Manges LLP, counsel to Hughes substantially, in the form attached as Exhibits B and C, respectively, in each case to the effect that the Merger will constitute a reorganization within the meaning of Section 368(a) of the Code, it being understood that in rendering such Tax Opinion, such tax counsel shall be entitled to rely upon, among other things, representations of officers of EchoStar and Hughes and of the EchoStar Controlling Stockholder contained in the tax certificates substantially in the form of Exhibits D, E and F attached hereto (collectively, the "Tax Certificates") and other assumptions as such tax counsel may reasonably require. No party hereto nor any of its affiliates shall take any action that, or fail to take any action the failure of which, would cause any of the representations in the Tax Certificates to be untrue. The parties shall take the position for all purposes that the Merger constitutes a reorganization within the meaning of Section 368(a) of the Code.

(d) NYSE Listing or Nasdaq Quotation. The parties hereto shall use commercially reasonable efforts to cause the shares of Hughes Class A Common Stock to be issued pursuant to the Merger and the shares of Hughes Class C Common Stock to be approved for listing on the NYSE or to be approved for quotation on Nasdaq, subject to official notice of issuance, prior to the Closing Date; provided that the exchange on which application is first made for listing shall be determined in EchoStar's sole discretion.

(e) Access. Except as required by any confidentiality agreement to which GM, Hughes or any of their Subsidiaries, on the one hand, or EchoStar or any of its Subsidiaries, on the other hand, is a party or pursuant to Applicable Law, from and after the date of this Agreement until the Merger Effective Time (or the termination of this Agreement), the parties hereto shall (i) permit representatives of the other parties to have reasonable access to the properties, books, records, contracts, tax records and documents of the parties and their respective Subsidiaries, to the extent related to the businesses of Hughes and its Subsidiaries and EchoStar and its Subsidiaries, as the case may be, at all reasonable times, and in a manner so as not to interfere with the normal operation of such party's and its Subsidiaries' premises and (ii) furnish promptly such information concerning such party's and its Subsidiaries' businesses as the other party or its representatives may reasonably request. Such access shall be limited to the extent that antitrust counsel to either party determines that such limitation is advisable under applicable Antitrust Law. Information obtained by each party pursuant to this Section 5.1(e) shall be subject to the provisions of the confidentiality agreement among GM, Hughes and EchoStar, dated October 20, 2001, as amended (the "Confidentiality Agreement"), which agreement remains in full force and effect.

(f) Expenses. Except as otherwise provided in the EchoStar Transaction Agreements or the Hughes Transaction Agreements, whether or not the Merger is consummated, each party hereto shall pay its own costs and expenses associated with the EchoStar Transaction Agreements and the Hughes Transaction Agreements and the transactions contemplated thereby.

(g) No Solicitation.

(i) Each of the parties agrees that, during the term of this Agreement, it shall not, nor shall it permit any of its Subsidiaries to, nor shall it authorize or knowingly permit any of its or its Subsidiaries' officers, directors, employees, investment bankers, attorneys, accountants, agents or other advisors or representatives (collectively, "Representatives"), directly or indirectly, to:

(A) solicit, initiate or knowingly facilitate or encourage the making by any Person (other than the other party hereto) of any proposal, offer or inquiry that constitutes, or could be expected to lead to, a proposal for any merger, consolidation or other business combination involving EchoStar, on the one hand, or Hughes, on the other hand, or any acquisition of any capital stock or any material portion of the assets (except for (1) acquisitions of assets in the ordinary course of business consistent with past practice and permitted by Section 5.3(a)(v) of this Agreement and (2) consummation of the transactions contemplated by the EchoStar Transaction Agreements, the GM Transaction Agreements and the Hughes Transaction Agreements) of EchoStar or any of its Subsidiaries, on the one hand, or Hughes or any of its Subsidiaries, on the other hand, or any GM Class H Common Stock or any combination of the foregoing (in each case, a "Competing Transaction");

(B) participate in any discussions or negotiations regarding, or furnish or disclose to any Person any information with respect to or in furtherance of, or take any other action knowingly to facilitate any inquiries with respect to any Competing Transaction;

(C) grant any waiver or release under any standstill or similar agreement with respect to EchoStar or any of its Subsidiaries, on the one hand, or Hughes or any of its Subsidiaries, on the other hand; or

(D) execute or enter into any agreement, understanding or arrangement (other than a confidentiality agreement) with respect to any Competing Transaction or approve or recommend or propose to approve or recommend, any Competing Transaction or any agreement, understanding or arrangement relating to any Competing Transaction (or resolve or authorize or propose to agree to any of the foregoing actions);

provided, however, that at any time prior to such time, if any, that the Requisite Stockholder Approval (as defined in the GM/Hughes Separation Agreement) shall have been received with respect to the GM Transactions, Hughes may take any action described in the foregoing clauses (B) or (C) (in the case of (C), only to the extent necessary to permit the discussions or negotiations contemplated by clause (B)) or (D) in respect of any Person, but only if and to the extent GM is so permitted under Section 5.1(j) of the Implementation Agreement.

(ii) Each party agrees that it will, and will cause its Representatives to, cease and cause to be terminated immediately all existing discussions or negotiations with any Persons conducted on or before the date hereof with respect to any Competing Transaction. EchoStar acknowledges that prior to the date of this Agreement, GM and Hughes have solicited or caused to be solicited by their respective financial advisors indications of interest and proposals for a Competing Transaction.

(h) Additional Agreements. Each of the parties hereto will comply in all material respects with Applicable Law in connection with its execution, delivery and performance of the Hughes Transaction Agreements and the EchoStar Transaction Agreements and the transactions contemplated thereby.

(i) Blue Sky. Each of the parties hereto will use commercially reasonable efforts to obtain prior to the Merger Effective Time all necessary United States or foreign blue sky or similar securities law permits and approvals required to permit the distribution of the shares of Hughes Class A Common Stock and Hughes Class B Common Stock to be issued in accordance with the provisions of this Agreement.

(j) Stock Options. Other than grants of stock options (i) to individuals who are hired or are promoted on or after the date hereof, (ii) after prior notice by EchoStar or Hughes to the chief executive officer of the other party describing special circumstances, to employees affected by such circumstances, and (iii) to acquire not more than 3,000,000 shares of PanAmSat's common stock, in each case which are made in the ordinary course of business consistent with past practice and which will not accelerate in vesting or exercisability as a result of or in connection with the transactions contemplated by this Agreement as a result of a termination of employment of such person), none of the parties hereto shall grant or cause to be granted any options to acquire any GM Class H Common Stock or any capital stock of EchoStar, Hughes, PanAmSat or their respective Subsidiaries to any Person from and after the date of this Agreement until the Merger Effective Time.

(k) The Merger Financing. As soon as reasonably practicable following the date of this Agreement, EchoStar and Hughes shall use commercially reasonable efforts to (i) finalize and enter into a Merger Financing Agreement which reflects, in all material respects, the terms and conditions in the Merger Commitment Letter, and (ii) at or immediately prior to the Spin-Off Effective Time (as defined in the Implementation Agreement), consummate the Merger Financing in accordance with the Merger Financing Agreement and/or, subject to the limitation set forth in Section 5.2(a)(i), with the proceeds from one or more private placements or public offerings of debt or equity securities of EchoStar. Subject to the remainder of this Section 5.1(k), EchoStar shall control the terms and negotiation of the Merger Financing Agreement. Notwithstanding anything to the contrary contained herein, the parties agree that all material terms of the Merger Financing Agreement shall be reasonably acceptable to Hughes (and Hughes agrees not to object to the commercial pricing terms of such Merger Financing Agreement or to any other terms that are consistent with the terms of the Merger Commitment Letter). EchoStar shall (x) keep Hughes apprised of all material developments in respect of the Merger Financing, and (y) promptly provide Hughes with copies of all drafts of documents or other material correspondence related to the Merger Financing and, with respect to such draft documents, provide Hughes and its advisors with a reasonable opportunity to comment on all drafts of such documents. Each of Hughes and EchoStar shall use commercially reasonable efforts to assist in obtaining the Merger Financing, including by (1) making available to the other party and the lenders in the Merger Financing and their representatives, personnel, documents and information

of such party and its Subsidiaries, as may be reasonably requested by the other party to facilitate the negotiation and consummation of the Merger Financing (including in connection with the due diligence investigation by such lenders and the preparation of business plans and the development of covenants) and (2) cooperating with the other party in the negotiation of the Merger Financing Agreement and, in connection with the closing of the Merger or the GM Transactions, as the case may be, entering into security, guarantee and similar agreements, effective prior to or upon the Spin-Off Effective Time as may be required by the Merger Financing Agreement or reasonably requested by the other party for purposes of consummating the Merger Financing in accordance with the Merger Financing Agreement; provided, that nothing in this Section 5.1(k) shall require Hughes to modify its business plans or otherwise alter in any material respect the manner in which it conducts its business.

(l) DirecTV Name. From and after the Merger Effective Time, the DirecTV name shall be the brand adopted by the Surviving Corporation and those of its Subsidiaries which are in the direct-to-home satellite television business.

(m) Non-Disparagement. From and after the date of this Agreement, each party hereto agrees that it and its Subsidiaries and affiliates shall not disparage or in any way portray the other party or the other party's Subsidiaries or affiliates or any of such Person's products, services or trade names, either directly or indirectly, in the form of oral statements, written statements, electronic communications or otherwise, in a negative light. In furtherance thereof, neither party nor any of such party's Subsidiaries or affiliates shall make, direct others to make, suggest to others to make or otherwise directly or indirectly cause or assist others to make disparaging, false or misleading statements (whether in the form of oral statements, written statements, electronic or other communications), or engage in misleading conduct regarding the other party or the other party's Subsidiaries or affiliates or any of such Person's products, services or trade names. Notwithstanding the foregoing, nothing in this Section 5.1(m) shall limit any party's ability to continue to compete with the other party.

(n) No Announcement Regarding Surviving Platform. From and after the date of this Agreement, without the prior written consent of the other party, each party hereto agrees that it and its Subsidiaries and affiliates shall not make, nor shall any of them direct others to make or suggest to others to make, directly or indirectly, any public statements regarding which party's direct-to-home platform will be utilized following consummation of the Merger. In any case, the parties agree that the surviving platform will be MPEG2/DirecTV compatible.

(o) Affiliates. Prior to the Merger Effective Time, each party shall deliver to the other party a list (the "Affiliate List") identifying all Persons who are, in the good faith judgment of such party, "affiliates" of such party for purposes of Rule 145 of the Securities Act. Each party shall use commercially reasonable efforts to deliver or cause to be delivered to the other party, prior to the Merger Effective Time, an agreement (in the form of Exhibit G attached hereto) executed by each Person listed on the Affiliate List and executed by each Person who becomes an "affiliate" of such party for purposes of Rule 145 of the Securities Act after delivery of the Affiliate List.

(p) Employment Agreement. EchoStar and the Chief Executive Officer of EchoStar shall enter into an Employment Agreement, to become effective at the Merger Effective Time, on terms to be agreed upon by such Chief Executive Officer and the Chief Executive Officer of Hughes, provided that the terms shall be ratified by the independent directors of the Board of Directors of the Surviving Corporation.

Section 5.2. Covenants of EchoStar.

(a) Conduct of EchoStar's Operations. During the period from the date of this Agreement to the Merger Effective Time, except as expressly contemplated by the EchoStar Transaction Agreements and the transactions expressly contemplated thereby, EchoStar shall, and shall cause its Subsidiaries to, conduct their respective businesses and operations in the ordinary course, consistent with past practices, and use commercially reasonable efforts to maintain and preserve their business organizations and their material rights and franchises and to retain the services of the officers and key employees and maintain relationships with customers, suppliers, lessees, licensees and other third parties to the end that their goodwill and ongoing business shall not be impaired in any material respect, including by continuing to compete with Hughes and its Subsidiaries. Without limiting the generality of the foregoing, during the period from the date of this Agreement to the Merger Effective Time, except as expressly contemplated by the EchoStar Transaction Agreements, EchoStar shall not and shall cause its Subsidiaries not to, except as otherwise set forth in Section 5.2(a) of the EchoStar Disclosure Schedule, without the prior written consent of Hughes:

(i) do or effect any of the following actions with respect to EchoStar's or any of its Subsidiaries securities: (A) adjust, split, combine, recapitalize or reclassify its capital stock, (B) make, declare or pay any dividend or distribution on, or directly or indirectly redeem, purchase or otherwise acquire, any shares of its capital stock or any securities or obligations convertible into or exchangeable for any shares of its capital stock, (C) grant any Person any right or option to acquire any shares of its capital stock other than grants permitted pursuant to Section 5.1(j) hereof, (D) issue, deliver or sell or agree to issue, deliver or sell any additional shares of its capital stock or any securities, instruments or obligations convertible into or exchangeable or exercisable for any shares of its capital stock or such securities (except pursuant to the exercise of outstanding options and options issued after the date hereof in accordance with the terms of Section 5.1(j) of this Agreement) or (E) enter into any agreement, understanding or arrangement with respect to the sale or voting of its capital stock; provided, however, EchoStar and its Subsidiaries shall be permitted to issue debt securities, equity securities or convertible/exchangeable securities up to an aggregate amount of net proceeds to EchoStar of One Billion Five Hundred Million (\$1,500,000,000.00) or, if the Internal Revenue Service issues to GM an AOL Section 355(e) Ruling (as defined in the Implementation Agreement), Two Billion Five Hundred Million (\$2,500,000,000.00) (collectively, "Permitted Equity Issuances"); provided, further, however, that the entire net proceeds of any and all Permitted Equity Issuances shall be held directly by EchoStar (rather than any Subsidiaries of EchoStar) at the Merger Effective Time;

(ii) take any action to intentionally and improperly interfere with Hughes' or its Subsidiaries' existing contractual or economic relationships or with their suppliers, equipment manufacturers, dealers and retailers by encouraging or inducing such Persons not to perform their existing contracts with or otherwise conduct business with Hughes or its Subsidiaries;

(iii) sell, transfer, lease, pledge, mortgage, encumber or otherwise dispose of any amount of EchoStar's or any of its Subsidiaries property or assets that is material to EchoStar and its Subsidiaries, taken as a whole, other than in the ordinary course of business, consistent with past practice;

(iv) make or propose any changes in its certificate of incorporation or by-laws (or equivalent organizational documents);

(v) merge or consolidate with any other Person, or acquire assets or capital stock of any other Person which are material to EchoStar and its Subsidiaries taken as a whole, or enter into any confidentiality agreement with any Person with respect to any such transaction;

(vi) create any Subsidiaries which are material to EchoStar and its Subsidiaries taken as a whole and which are not, directly or indirectly, wholly-owned by EchoStar;

(vii) except for the adoption of a Plan providing for grants of options to acquire EchoStar Class B Common Stock and the entering into an employment agreement with the EchoStar Controlling Stockholder pursuant to Section 5.1(p) hereof, enter into or modify any EchoStar Plan or other employment, severance, change in control, termination or similar agreements or arrangements with, or grant any bonuses, salary increases, severance or termination pay to, or otherwise increase the compensation or benefits of, any officer, director, consultant or employee of EchoStar or its Subsidiaries, other than entering into or extending any employment agreement, payment of severance or termination benefits or increases in salary, bonus, compensation or benefits granted in the ordinary course of business consistent with past practice, except as may be required by Applicable Law or a binding written contract in effect on the date of this Agreement;

(viii) except as may be required by Applicable Law or by accounting principles, change any method or principle of accounting in a material manner that is inconsistent with past practice;

(ix) take any action that would reasonably be expected to result in the representations and warranties set forth in Article 3 becoming false or inaccurate such that the condition set forth in Section 6.2(a) would fail to be satisfied;

(x) enter into or carry out any other transaction which is material to EchoStar and its Subsidiaries, taken as a whole, other than in the ordinary and usual course of business;

(xi) take any action which could reasonably be expected to adversely affect or delay the ability of any parties hereto to obtain any approval of any Governmental Authority required to consummate the transactions contemplated hereby;

(xii) except as specifically permitted in the Implementation Agreement, amend the EchoStar Transaction Agreements to which Hughes is not a party;
or

(xiii) agree in writing or otherwise to take any of the foregoing actions.

(b) Notification of Certain Matters. EchoStar shall give prompt notice to Hughes of (i) the occurrence or non-occurrence of any event the occurrence or non-occurrence of

which would cause any representation or warranty of EchoStar contained in this Agreement to be untrue or inaccurate in any material respect at or prior to the Merger Effective Time, (ii) any material failure of EchoStar to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it hereunder and (iii) any EchoStar Material Adverse Effect; provided, however, that the delivery of any notice pursuant to this Section 5.2(b) shall not limit or otherwise affect the remedies available hereunder to Hughes.

(c) Preparation and Filing of the EchoStar Information Statement. EchoStar shall comply with Section 14(c) of the Exchange Act with respect to the EchoStar Information Statement (as defined in the Implementation Agreement) in accordance with the provisions of the Implementation Agreement.

(d) Permit Matters. During the period from the date of this Agreement to the Merger Effective Time, EchoStar shall and shall cause its Subsidiaries to (i) take all actions necessary to maintain and preserve the EchoStar Permits and (ii) refrain from taking any action that would give the FCC or any other Governmental Authority with jurisdiction reasonable grounds to institute proceedings for the suspension, revocation or adverse modification of any EchoStar Permits, except where the failure to take such action, or the taking of such action, as the case may be, could not reasonably be expected to have a EchoStar Material Adverse Effect.

(e) EchoStar Notes. EchoStar shall, on or prior to the date that is 210 days after the date hereof either (i) use commercially reasonable efforts to cause the indentures (the “EchoStar Indentures”) relating to the debt instruments of EchoStar and its Subsidiaries listed on Section 5.2(e) of the EchoStar Disclosure Schedule (the “EchoStar Notes”) to be amended to provide that the consummation of the Merger and the other transactions contemplated by the EchoStar Transaction Agreements will not constitute a “Change in Control” under such EchoStar Indentures, or (ii) obtain additional committed financing, on terms and conditions reasonably acceptable to Hughes, sufficient in amount to refinance all of the indebtedness outstanding under those EchoStar Indentures to which an amendment to the “Change in Control” provision was not obtained. Notwithstanding the foregoing, in lieu of soliciting such consent or obtaining such additional financing, EchoStar may, not later than 210 days after the date hereof, present to Hughes a plan (a “Plan”), taking into account the prevailing market for the EchoStar Notes, designed so that at and after the Merger Effective Time, the Surviving Corporation and its Subsidiaries would not be in breach of their obligations under the EchoStar Indentures and would be able to comply with their obligations under the terms of each EchoStar Indenture. Hughes agrees to consider the Plan in good faith and notify EchoStar within 15 Business Days of receiving the Plan as to whether EchoStar may implement the Plan. If Hughes agrees that EchoStar may implement the Plan, EchoStar shall as soon as practicable thereafter implement the Plan. If Hughes does not agree that EchoStar may implement the Plan, EchoStar shall promptly, and in any event within 20 Business Days thereafter, take one of the actions described in the first sentence of this Section 5.2(e). If EchoStar determines to solicit consents as described in subsection clause (i) of this Section 5.2(e), such consents shall be solicited on reasonable and customary terms, including the offering by EchoStar of a reasonable and customary consent fee or interest payment modification in order to induce the requisite number of holders of EchoStar Notes to consent to such amendments so as to not require EchoStar to effect a “Change in Control” offer to the holders of such EchoStar Notes.

Section 5.3. Covenants of Hughes.

(a) Conduct of Hughes' Operations. During the period from the date of this Agreement to the Merger Effective Time, except (i) with respect to the consummation of the GM Transactions (including the distribution, if any, by Hughes of a \$4,200,000,000 note to GM or an affiliate thereof), (ii) as expressly contemplated by the Hughes Transaction Agreements and the transactions expressly contemplated thereby, (iii) for any redemption of any shares of Series A Preferred Stock in connection with the conversion, redemption or cancellation of the GM Series H Preference Stock in accordance with the terms of the Certificate of Designations relating to the GM Series H Preference Stock, (iv) for any roll up transactions with respect to Hughes' DBS business in Latin America substantially in accordance with Section 5.3(a) of the Hughes Disclosure Schedule, and (v) for the sale or refinancing of the PanAmSat Note (as defined in the GM/Hughes Separation Agreement), Hughes shall and shall cause its Subsidiaries (other than PanAmSat and HSSL and their Subsidiaries) to, and shall use commercially reasonable efforts to cause PanAmSat and HSSL to, conduct their businesses and operations in the ordinary course, consistent with past practice, and shall use their commercially reasonable efforts to maintain and preserve their business organization and its material rights and franchises and to retain the services of its officers and key employees and maintain relationships with customers, suppliers, lessees, licensees and other third parties to the end that their goodwill and ongoing business shall not be impaired in any material respect, including by continuing to compete with EchoStar. Without limiting the generality of the foregoing, during the period from the date of this Agreement to the Merger Effective Time, except (i) with respect to the consummation of the GM Transactions, (ii) as expressly contemplated by the Hughes Transaction Agreements and the transactions contemplated thereby, (iii) the sale or refinancing of the PanAmSat Note, (iv) for any roll up transactions with respect to Hughes' DBS business in Latin America substantially in accordance with Section 5.3(a) of the Hughes Disclosure Schedule, or (v) as otherwise set forth in Section 5.3(a) of the Hughes Disclosure Schedule, Hughes shall not and shall cause its Subsidiaries (other than PanAmSat and HSSL and their Subsidiaries) not to, and shall use commercially reasonable efforts to cause PanAmSat and HSSL and their Subsidiaries not to, without the prior written consent of EchoStar:

(i) do or effect any of the following actions with respect to Hughes' or any of its Subsidiaries' securities: (A) adjust, split, combine, recapitalize or reclassify its capital stock, (B) make, declare or pay any dividend or distribution on, or directly or indirectly redeem, purchase or otherwise acquire, any shares of its capital stock or any securities or obligations convertible into or exchangeable for any shares of its capital stock, (C) grant any Person any right or option to acquire any shares of its capital stock other than grants in accordance with the provisions of Section 5.1(j) hereof, (D) except with respect to the issuance of Hughes Preference Stock in connection with the Greater Spinco Preference Share Exchange (as defined in the Implementation Agreement), issue, deliver or sell or agree to issue, deliver or sell any additional shares of its capital stock or any securities, instruments or obligations convertible into or exchangeable or exercisable for any shares of its capital stock or such securities (except pursuant to the exercise of outstanding options and options issued after the date hereof in accordance with the terms of Section 5.1(j) of this Agreement) or (E) enter into any agreement, understanding or arrangement with respect to the sale or voting of its capital stock;

(ii) take action to intentionally and improperly interfere with EchoStar's or its Subsidiaries' existing contractual economic relationships or with their

suppliers, equipment manufacturers, dealers and retailers by encouraging or inducing such Persons not to perform their existing contracts with or otherwise conduct business with EchoStar or its Subsidiaries;

(iii) sell, transfer, lease, pledge, mortgage, encumber or otherwise dispose of any amount of Hughes or any of its Subsidiaries' property or assets that is material to Hughes and its Subsidiaries, taken as a whole, other than in the ordinary course of business, consistent with past practice;

(iv) make or propose any changes in its certificate of incorporation or by-laws (or equivalent organizational documents);

(v) merge or consolidate with any other Person or acquire assets or capital stock of any other Person which are material to Hughes and its Subsidiaries, taken as a whole or enter into any confidentiality agreement with any Person with respect to any such transaction;

(vi) create any Subsidiaries which are material to Hughes and its Subsidiaries taken as a whole and which are not, directly or indirectly, wholly owned by Hughes;

(vii) enter into or modify any Hughes Plan or other employment, severance, change in control, termination or similar agreements or arrangements with, or grant any bonuses, salary increases, severance or termination pay to, or otherwise increase the compensation or benefits of, any officer, director, consultant or employee of Hughes or its Subsidiaries, other than pursuant to the Employee Matters Agreement, payment of severance or termination benefits or increases in salary, compensation or benefits granted in the ordinary course of business consistent with past practice or as provided for in the Employee Matters Agreement contemplated by the GM/Hughes Separation Agreement, except as may be required by Applicable Law or a binding written contract in effect on the date of this Agreement;

(viii) except as may be required by Applicable Law or by accounting principles, change any method or principle of accounting in a material manner that is inconsistent with past practice;

(ix) take any action that would reasonably be expected to result in the representations and warranties set forth in Article 4 becoming false or inaccurate such that the condition set forth in Section 6.3(a) would fail to be satisfied;

(x) enter into or carry out any other transaction which is material to Hughes and its Subsidiaries, taken as a whole, other than in the ordinary and usual course of business;

(xi) take any action which could reasonably be expected to adversely affect or delay the ability of any parties hereto to obtain any approval of any Governmental Authority required to consummate the transactions contemplated hereby;

(xii) except as specifically permitted in the Implementation Agreement, amend the Hughes Transaction Agreements to which EchoStar is not a party; or

(xiii) agree in writing or otherwise to take any of the foregoing actions.

For purposes of this Agreement, the obligation of Hughes to use commercially reasonable efforts to cause PanAmSat or HSSL to take or not take any action shall require only that Hughes (i) vote the shares it owns in PanAmSat and HSSL on any matter submitted by PanAmSat and HSSL, as applicable, for approval of its respective stockholders, (ii) request that PanAmSat and HSSL act in a manner consistent with the provisions of this Agreement and (iii) request that any employees of Hughes who serve as members of the Board of Directors of PanAmSat or HSSL vote on matters submitted to the Board of Directors of PanAmSat or HSSL, as applicable, to the extent that so voting would be considered by them to be in the best interests of PanAmSat or HSSL, as applicable, and its respective stockholders and otherwise consistent with their fiduciary duties as directors.

(b) Notification of Certain Matters. Hughes shall give prompt notice to EchoStar of (i) the occurrence or non-occurrence of any event the occurrence or non-occurrence of which would cause any representation or warranty of Hughes contained in this Agreement to be untrue or inaccurate in any material respect at or prior to the Merger Effective Time, (ii) any material failure of Hughes to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by them hereunder and (iii) any Hughes Material Adverse Effect; provided, however, that the delivery of any notice pursuant to this Section 5.3(b) shall not limit or otherwise affect the remedies available hereunder to EchoStar.

(c) Hughes Boards, Committees and Officers. Hughes shall take all appropriate action such that, at the Merger Effective Time, the Board of Directors, committees of the Board of Directors, composition of such committees (including chairpersons thereof) and certain officers of Hughes (as indicated on Exhibit H) shall be as set forth on Exhibit H until the earlier of the resignation or removal of any individual listed on or designated in accordance with Exhibit H or until their respective successors are duly appointed or elected and qualified, as the case may be. On or prior to the Merger Effective Time, the Management Transition Committee referred to in Section 1.6 hereof may designate, with the unanimous approval of the members of the Management Transition Committee, additional officers who shall be added to Exhibit H, provided, that appointment of such additional officers must be approved by the Board of Directors of the Surviving Corporation after the Merger Effective Time. If any officer listed on or appointed in accordance with Exhibit H ceases to be a full-time employee of Hughes or EchoStar prior to the Merger Effective Time, or if any director, committee member or committee chairman listed or designated on Exhibit H is not available to serve as such at the Merger Effective Time, the parties hereto shall, except as otherwise provided in Exhibit H, choose another individual to serve in such individual's stead. On or prior to the Merger Effective Time, Hughes, to the extent necessary, shall deliver to EchoStar evidence of the resignations of the directors of Hughes not so designated to be continuing to serve as directors of Hughes after the Merger Effective Time, such resignations to be effective as of the Merger Effective Time.

(d) Permit Matters. During the period from the date of this Agreement to the Merger Effective Time, Hughes shall and shall cause its Subsidiaries to (i) take all actions necessary to maintain and preserve the Hughes Permits and (ii) refrain from taking any action that

would give the FCC or any other Governmental Authority with jurisdiction reasonable grounds to institute proceedings for the suspension, revocation or adverse modification of any Hughes Permits, except where the failure to take such action, or the taking of such action, as the case may be, could not reasonably be expected to have a Hughes Material Adverse Effect.

(e) Certain Matters with respect to Indian Entities. Notwithstanding anything to the contrary contained herein or in any other Hughes Transaction Agreement, nothing in any of such agreements shall permit EchoStar or any other Person, at any time prior to the Merger Effective Time, to (A) appoint or influence the appointment of any officers or directors of HSSL or HTIL, (B) control, direct or influence the management or policy decisions of HSSL or HTIL, or (C) engage in any other activity or exercise any other rights that would result in an assumption or change of control of HSSL or HTIL. For purposes of this Section 5.3(e) “control” shall have the meaning specified in the Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations 1997.

(f) Indemnification; Directors’ and Officers’ Insurance.

(i) From and after the Merger Effective Time, the Surviving Corporation agrees that it will indemnify and hold harmless each present and former director and officer of EchoStar and each of its Subsidiaries, and each person appointed by EchoStar to serve as director on another corporation’s board of directors (when acting in such capacity), determined as of the Merger Effective Time (the “EchoStar Indemnified Parties”), against any costs or expenses (including reasonable attorneys’ fees), judgments, fines, losses, claims, damages or liabilities (collectively, “Costs”) incurred in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of or pertaining to matters existing or occurring at or prior to the Merger Effective Time, whether asserted or claimed prior to, at or after the Merger Effective Time, to the fullest extent that EchoStar would have been permitted under Nevada law and its articles of incorporation or by-laws in effect on the date hereof to indemnify such person (and Merger shall also advance expenses as incurred to the fullest extent permitted under applicable law provided the person to whom expenses are advanced provides an undertaking to repay such advances if it is ultimately determined that such person is not entitled to indemnification); and provided, further, that any determination required to be made with respect to whether an officer’s or director’s conduct complies with the standards set forth under Nevada law and EchoStar’s articles of incorporation and by-laws shall be made by independent counsel selected by the Surviving Corporation.

(ii) Any EchoStar Indemnified Party wishing to claim indemnification under paragraph (i) of this Section 5.3(f), upon learning of any such claim, action, suit, proceeding or investigation, shall promptly notify the Surviving Corporation thereof, but the failure to so notify shall not relieve the Surviving Corporation of any liability it may have to such EchoStar Indemnified Party if such failure does not materially prejudice the indemnifying party. In the event of any such claim, action, suit, proceeding or investigation (whether arising before or after the Merger Effective Time), (i) the Surviving Corporation shall have the right to assume the defense thereof and the Surviving Corporation shall not be liable to such EchoStar Indemnified Parties for any legal expenses of other counsel or any other expenses subsequently incurred by such EchoStar Indemnified Parties in connection with the defense thereof, except that if the Surviving Corporation elects not to assume such defense or counsel for

the EchoStar Indemnified Parties advises that there are issues which raise conflicts of interest between the Surviving Corporation and the EchoStar Indemnified Parties, the EchoStar Indemnified Parties may retain one counsel satisfactory to them, and the Surviving Corporation shall pay all reasonable fees and expenses of such counsel for the EchoStar Indemnified Parties promptly as statements therefor are received, (ii) the EchoStar Indemnified Parties will cooperate in the defense of any such matter and (iii) the Surviving Corporation shall not be liable for any settlement effected without its prior written consent; and provided, further, that the Surviving Corporation shall not have any obligation hereunder to any EchoStar Indemnified Party if and when a court of competent jurisdiction shall ultimately determine, and such determination shall have become final, that the indemnification of such EchoStar Indemnified Party in the manner contemplated hereby is prohibited by applicable law. If such indemnity is not available with respect to any EchoStar Indemnified Party, then the Surviving Corporation and the EchoStar Indemnified Party shall contribute to the amount payable in such proportion as is appropriate to reflect relative faults and benefits.

(iii) For a period of six years after the Merger Effective Time, the Surviving Corporation shall provide officers' and directors' liability insurance ("D&O Insurance") covering the EchoStar Indemnified Parties for all applicable incidents, acts or omissions occurring prior to the Merger Effective Time, regardless of when, and occurring after the Merger Effective Time until the six year anniversary of the Merger Effective Time. Such insurance coverage shall be no less favorable to the EchoStar Indemnified Parties in coverage or amount than the greater of (A) the insurance coverage in effect for the Surviving Corporation's officers and directors at the Spin-Off Effective time and (B) the insurance coverage in effect for EchoStar's officers and directors as of the date hereof. The term "coverage" as used in the Section 5.3(f) shall be deemed to include all excess coverage.

(iv) If the Surviving Corporation or any of its successors or assigns (i) shall consolidate with or merge into any other corporation or entity and shall not be the continuing or surviving corporation or entity of such consolidation or merger or (ii) shall transfer all or substantially all of its properties and assets to any individual, corporation or other entity, then, and in each such case, proper provisions shall be made so that the successors and assigns of the Surviving Corporation shall assume all of the obligations set forth in this Section.

(v) The provisions of this Section are intended to be for the benefit of, and shall be enforceable by, each of the EchoStar Indemnified Parties, their heirs and their representatives.

(g) Supplemental Indentures and Registration Rights Regarding Certain EchoStar Notes. Hughes shall execute and deliver at the Merger Effective Time supplemental indentures in order to assume the obligations of EchoStar under the indentures relating to the debt instruments of EchoStar and its Subsidiaries listed on Schedule 5.3(g) of the EchoStar Disclosure Schedule, in each case in accordance with the applicable EchoStar indenture. In addition, the Surviving Corporation shall assume the obligations of EchoStar and its Subsidiaries under those registration rights agreements set forth in Section 5.3(g) of the EchoStar Disclosure Schedule.

ARTICLE 6

CONDITIONS

Section 6.1. Mutual Conditions. The obligations of the parties hereto to consummate the Merger shall be subject to fulfillment of each and all of the following conditions:

(a) No temporary restraining order, preliminary or permanent injunction or other order or decree issued by a court of competent jurisdiction or Governmental Authority of competent jurisdiction which prevents the consummation of the Merger shall have been issued and remain in effect, and no statute, rule or regulation shall have been enacted by any Governmental Authority which prevents the consummation of the Merger.

(b) All waiting periods applicable to the consummation of the Merger under the HSR Act and any similar law of foreign jurisdictions shall have expired or been terminated and all approvals of, or filings with, any Governmental Authority (other than the FCC) required to consummate the transactions contemplated hereby shall have been obtained or made, other than approvals and filings, the failure to obtain or make which, in the aggregate, are not reasonably likely to have a Combined Companies Material Adverse Effect. For the purposes of this Agreement, a "Combined Companies Material Adverse Effect" means an event, change, circumstance or effect that has had or is reasonably likely to have a material adverse effect on the business, operations, assets, liabilities or financial condition of Hughes, EchoStar and their respective Subsidiaries, taken as a whole, assuming consummation of the Merger, other than events, changes, circumstances or effects that arise out of or result from (w) economic factors affecting the economy or financial markets as a whole or generally affecting the direct broadcast satellite industry, (x) the Hughes Recapitalization, the Spin-Off and the GM Debt/Equity Exchanges, (y) the announcement of the execution of the this Agreement and the other agreements contemplated hereby (including any cancellations of or delays in customer orders, any reduction in sales, any disruption in supplier, distributor, partner or similar relationships or any loss of employees) and (z) any and all actions taken by Hughes or EchoStar pursuant to Section 5.1(b) hereof and the effects thereof.

(c) All material orders and approvals of the FCC required in connection with the consummation of the transactions contemplated hereby shall have been obtained; provided, however, that the provisions of this Section 6.1(c) shall not be available to any party whose failure to fulfill its obligations pursuant to Section 5.1(b) has been the cause of, or shall have resulted in, the failure to obtain such consent or approval or action.

(d) The GM Transactions (including the GM Charter Amendment, the Hughes Recapitalization and the Spin-Off) shall have been consummated in accordance with the terms contemplated by the Hughes Transaction Agreements and the GM Transaction Agreements; provided, however, that the consummation of any Debt/Equity Exchange shall not be a condition to Closing.

(e) All of the conditions to the consummation of the Merger Financing shall have been satisfied and the parties shall be prepared to consummate the Merger Financing immediately following the Merger Effective Time.

(f) The shares of Hughes Class A Common Stock to be issued pursuant to the Merger and the shares of Hughes Class C Common Stock outstanding immediately prior to

the Merger Effective Time shall have been approved for listing on the NYSE or approved for quotation on Nasdaq, subject to official notice of issuance.

(g) The GM Registration Rights Agreement (as defined in the Implementation Agreement) and the EchoStar Controlling Stockholder Registration Rights Agreement (as defined in the Implementation Agreement) have been entered into and shall be in full force and effect; provided, however, that the provisions of this Section 6.1(g) shall not be available to any party if such party's failure to enter into a contract has been the cause of, or shall have resulted in, the failure to enter into these agreements;

(h) The Surviving Corporation would be permitted to issue, immediately following the Merger Effective Time, capital stock of the Surviving Corporation having an aggregate fair market value that is at least equal to the Minimum Amount (as defined below), without such issuance resulting in a breach of Section 6.2(a) or Section 6.2(c) of the Implementation Agreement (without regard to whether GM shall have determined that such issuance would not jeopardize the Tax-Free Status of the Spin-Off (as defined in the Implementation Agreement) pursuant thereto), it being understood that the determination of the amount of capital stock of the Surviving Corporation that may be so issued:

(i) shall take into account (A) all capital stock of the Surviving Corporation that is outstanding after giving effect to the consummation of the Hughes Recapitalization and the Merger, and (B) all options or rights to acquire, and securities that are convertible into or exchangeable for, capital stock of the Surviving Corporation that are outstanding after giving effect to the consummation of the Hughes Recapitalization and the Merger (whether or not such options or rights or conversion or exchange features are then exercisable or are contingent on the occurrence or non-occurrence of a future event), to the extent that the acquisition of capital stock thereunder would be presumed under Section 6.2(g) of the Implementation Agreement to be part of a Section 355(e) Plan (as defined in the Implementation Agreement) or otherwise reasonably would be expected to be treated as part of a Section 355(e) Plan that includes the Spin-Off;

(ii) shall give effect to the presumptions set forth in Section 6.2(g) of the Implementation Agreement and, in addition, shall be based on (A) the assumption that the Surviving Corporation shall issue the Assumed PanAmSat Minority Share Consideration (as defined below) and (B) the conclusive presumption that the acquisition of the Assumed PanAmSat Minority Share Consideration would be treated as part of a Section 355(e) Plan that includes the Spin-Off; and

(iii) shall be based on the assumptions that, immediately after the Merger Effective Time: (A) Hughes Class C Common Stock has a fair market value per share equal to the Recapitalization Price; (B) Hughes Class A Common Stock has a fair market value per share equal to the Recapitalization Price, unless the Recapitalization Price is less than the product of (1) the Average Price (as defined below) of a share of EchoStar Class A Common Stock and (2) the Class A Exchange Ratio, in which case the Hughes Class A Common Stock shall have a fair market value per share equal to such product; (C) Hughes Class B Common Stock has a fair market value per share determined on the basis of the advice of an investment banking firm selected by GM and reasonably satisfactory to EchoStar; and (D) Hughes Preference Stock has a fair market value equal to the product of (1) the number of shares of Hughes Common Stock into

which such Hughes Preference Stock would convert pursuant to the mandatory conversion provision thereof if the Current Market Price (as defined in the Certificate of Designation of the GM Series H Preference Stock) were equal to the Recapitalization Price and (2) the Recapitalization Price.

For purposes of this Section 6.1(h):

(v) “Assumed PanAmSat Minority Share Consideration” shall mean (1) that number of shares of Hughes Class C Common Stock that the parties hereto estimate reasonably could be expected to be issued in consideration for the securities of PanAmSat that are issued and outstanding as of the Spin-Off Effective Time and not owned by the Surviving Corporation or an affiliate thereof, or (2) if the parties cannot so agree to such an estimate, a number of shares of Hughes Class C Common Stock having an aggregate fair market value equal in amount to 105% of the aggregate fair market value of the PanAmSat common stock, and other securities of PanAmSat (excluding employee stock options) that reasonably could be expected to be acquired for capital stock of the Surviving Corporation, in each case that are issued and outstanding as of the Spin-Off Effective Time and not owned by the Surviving Corporation or an affiliate thereof, which (A) in the case of the outstanding shares of common stock of PanAmSat shall be equal to the product of the Average Price of a share of such PanAmSat common stock and the number of shares of PanAmSat common stock issued and outstanding as of the date of the Spin-Off Effective Time and not owned by the Surviving Corporation or an affiliate thereof and (B) in the case of any other securities of PanAmSat shall be determined on the basis of the advice of an investment banking firm selected by GM and reasonably satisfactory to EchoStar.

(w) “Average Price” of a share of capital stock of an issuer shall mean the average (rounded to the nearest 1/10,000, or if there shall not be a nearest 1/10,000, to the next highest 1/10,000) of the Volume Weighted Average Trading Prices (as defined below) of such share of capital stock of such issuer for each of the five (5) consecutive trading days (or, if less, the number of trading days following the Regulatory Approval Date (as defined in the Separation Agreement) and before the Spin-Off Effective Time (as defined in the Implementation Agreement)) ending on and including the trading day immediately prior to the date of the Spin-Off Effective Time.

(x) “Minimum Amount” shall be equal to the excess of (x) \$1,000,000,000 (One Billion Dollars) over (y) the fair market value of the capital stock of Hughes into which the Interim EchoStar Stock would convert at the Merger Effective Time; provided, however, that the Minimum Amount shall not be less than \$250,000,000 (Two Hundred Fifty Million Dollars).

(y) “Interim EchoStar Stock” shall mean (1) capital stock of EchoStar issued on or after the date hereof and prior to the Merger Effective Time and (2) capital stock of EchoStar that would be issued upon the exercise, conversion or exchange of options or rights to acquire, or securities that are convertible into or exchangeable for, capital stock of EchoStar or any successor entity thereto (whether or not such options or rights or conversion or exchange

features are then exercisable or are contingent on the occurrence or non-occurrence of a future event), to the extent that (A) such options, rights or securities are issued on or after the date hereof and prior to the Merger Effective Time and (B) the acquisition of capital stock thereunder would be presumed under Section 6.2(g) of the Implementation Agreement to be part of a Section 355(e) Plan or otherwise reasonably would be expected to be treated as part of a Section 355(e) Plan with the Spin-Off.

(z) “Volume Weighted Average Trading Price” means, with respect to a share of capital stock of an issuer on any trading day (defined as 9:30 a.m. through 4:30 p.m., Eastern Time), the weighted average of the reported per share prices at which transactions in such share of stock of such issuer are executed on the Nasdaq Stock Market during such trading day (weighted based on the number of such shares traded of such issuer, as such weighted average price appears on the Bloomberg screen “Volume at Price” page for such shares of capital stock of such issuer).

Section 6.2. Conditions to Obligations of Hughes. The obligations of Hughes to consummate the Merger and the other transactions contemplated hereby shall be subject to the fulfillment of the following conditions unless waived by Hughes:

(a) The representations and warranties of EchoStar set forth in Article 3 herein shall be true and correct as of the date of this Agreement and at and as of the Closing Date as though made on and as of the Closing Date (except for representations and warranties made as of a specified date, which need be true and correct only as of the specified date), except to the extent that all of the breaches of such representations and warranties collectively (without giving effect to any materiality or similar qualification) could not reasonably be expected to result in a, and have not resulted in a continuing, Combined Companies Material Adverse Effect; provided, however, that any and all actions taken by EchoStar pursuant to Section 5.1(b) and the effects thereof on the representations and warranties of EchoStar set forth in Article 3 shall be ignored for purposes of this Section 6.2(a).

(b) EchoStar shall have performed in all material respects all of its obligations hereunder to be performed by it at or prior to the Merger Effective Time.

(c) EchoStar shall have furnished Hughes with a certificate dated the Closing Date signed on its behalf by its Chairman, President or any Vice President to the effect that the conditions set forth in Sections 6.2(a) and (b) have been satisfied.

(d) EchoStar shall have taken one of the actions contemplated by the first sentence of Section 5.2(e) hereof or the Plan shall have been implemented as contemplated thereby.

(e) Hughes shall have received the Tax Opinion of Weil, Gotshal & Manges LLP, counsel to Hughes, substantially in the form attached hereto as Exhibit C, on the basis of facts, representations and assumptions stated therein as of the Merger Effective Time, to the effect that the Merger constitutes a reorganization within the meaning of Section 368(a) of the Code, it being understood that in rendering the Tax Opinion, such tax counsel shall be entitled to rely upon, among other things, representations of officers of EchoStar and Hughes and of the

EchoStar Controlling Stockholder substantially in the form of Exhibits D, E and F attached hereto and assumptions deemed necessary by such tax counsel.

Section 6.3. Conditions to Obligations of EchoStar. The obligation of EchoStar to consummate the Merger and the transactions contemplated hereby shall be subject to the fulfillment of the following conditions unless waived by EchoStar:

(a) The representations and warranties of Hughes set forth in Article 4 herein shall be true and correct as of the date hereof and at and as of the Closing Date as though made on and as of the Closing Date (except for representations and warranties made as of a specified date, which need be true and correct only as of the specified date), except to the extent that all of the breaches of such representations and warranties collectively (without giving effect to any materiality or similar qualification) could not reasonably be expected to result in a, and have not resulted in a continuing, Combined Companies Material Adverse Effect; provided, however, that any and all actions taken by Hughes pursuant to Section 5.1(b), and the effects thereof on the representations and warranties of Hughes set forth in Article 4 shall be ignored for purposes of this Section 6.3(a).

(b) Hughes shall have performed in all material respects all of its obligations hereunder to be performed by it at or prior to the Merger Effective Time.

(c) Hughes shall have furnished EchoStar with a certificate dated the Closing Date signed on behalf of it by the Chairman, President or any Vice President to the effect that the conditions set forth in Sections 6.3(a) and (b) have been satisfied.

(d) EchoStar shall have received the Tax Opinion of Sullivan & Cromwell, special counsel to EchoStar, substantially in the form attached hereto as Exhibit B, on the basis of facts, representations and assumptions stated therein as of the Merger Effective Time, to the effect that the Merger constitutes a reorganization within the meaning of Section 368(a) of the Code, it being understood that in rendering the Tax Opinion, such tax counsel shall be entitled to rely upon, among other things, representations of officers of EchoStar and Hughes and of the EchoStar Controlling Stockholder substantially in the form of Exhibits D, E and F attached hereto and assumptions deemed necessary by such tax counsel.

(e) The representations and warranties of GM set forth in Article 2 of the Implementation Agreement shall be true and correct as of the date hereof and at and as of the closing date as though made on and as of the closing date (except for representations and warranties made as of a specified date, which need to be true and correct only as of the specified date), except to the extent that all of the breaches of such representations and warranties collectively (without giving effect to any materiality or similar qualification) could not reasonably be expected to result in a, or have not resulted in a continuing, Combined Companies Material Adverse Effect or a material adverse effect on EchoStar's or Hughes' ability to consummate the transactions contemplated by the EchoStar Transaction Agreements or the Hughes Transaction Agreements;

(f) GM shall have performed in all material respects all of its obligations under the Implementation Agreement to be performed by it at or prior to the Spin-Off Effective Time (as defined in the Implementation Agreement).

(g) GM shall have furnished EchoStar with a certificate dated the closing date signed on its behalf by its Chairman, President or any Vice President to the effect that the conditions set forth in Sections 6.3(e) and (f) have been satisfied.

ARTICLE 7

TERMINATION AND AMENDMENT

Section 7.1. Termination. This Agreement may be terminated at any time prior to the Merger Effective Time by written notice delivered by the terminating party to the other parties:

(a) by mutual written consent duly authorized by the respective Boards of Directors of Hughes and EchoStar;

(b) by either Hughes or EchoStar if:

(i) (A) any permanent injunction or other order of a court of competent jurisdiction or other competent Governmental Authority preventing the consummation of the Merger, (1) in an action brought by a federal, state or local Governmental Authority under the Antitrust Laws of the United States or FCC Regulations, shall have become final and nonappealable, (2) in an action brought by a foreign Governmental Authority under Antitrust Laws, shall have become final and nonappealable or (3) in an action brought by any other Person (other than a Governmental Authority) under the Antitrust Laws or FCC Regulations, shall have become final and nonappealable; or (B) any permanent injunction or other order of a court of competent jurisdiction or other competent Governmental Authority preventing the consummation of the Merger, other than in an action brought under the Antitrust Laws or FCC Rules, shall have become final and nonappealable;

(ii) the Merger shall not have been consummated before January 21, 2003 (the "Outside Date"), provided that (A) if all conditions to Closing set forth in Article 6 have been satisfied or waived on or prior to such date (other than those contained in Sections 6.1(b) and 6.1(c) and any of such conditions that by their nature are to be fulfilled at the Closing) and the Department of Justice or Federal Trade Commission has, prior to the Outside Date, agreed with EchoStar and Hughes to enter into to a consent decree or other settlement permitting the consummation of the Merger, then the Outside Date shall be extended to the Second Business Day immediately following the date such consent decree or other settlement is filed in court (but in no event later than five (5) Business Days following the Outside Date), at which time, the parties shall consummate the Merger in accordance with Section 1.2; or (B) such period shall be extended by the Boards of Directors of both Hughes and EchoStar (provided that the right to terminate this Agreement under any provision of this Section 7.1(b)(ii) shall not be available to any party whose failure (or whose affiliate's failure, which in the case of Hughes shall include GM) to perform any material covenant or obligation under this Agreement or the other Transaction Agreements has been the cause of or resulted in the failure of the Merger to occur on or before such date); or

(iii) provided that there shall have occurred either a duly held meeting of the GM common stockholders (including any adjournment or postponement

thereof) at which a vote was taken or a solicitation of the written consent of the GM common stockholders in accordance with the DGCL, the GM Transactions fail to receive the Requisite Stockholder Approval either by reason of a negative vote of the GM common stockholders or by reason of a Consent Solicitation Failure. For the purposes of this Agreement, a “Consent Solicitation Failure” means the failure to receive the Requisite Stockholder Vote because written consents signed by a sufficient number of holders within sixty (60) days of the earliest dated consent delivered in the manner required by Section 228 of the DGCL were not obtained; unless such failure to receive such written consents shall have resulted from GM’s abandonment of the consent solicitation, provided that GM shall have delivered to EchoStar a Confirmation concurrently with such abandonment and, provided, further, that the right of termination provided under this clause (iii) shall be reinstated if GM shall fail to recommence the consent solicitation as promptly as practicable after such abandonment and provided, further, that only one such abandonment of the consent solicitation (other than an abandonment by reason of an injunction granted by a Governmental Authority having competent jurisdiction) shall be permitted hereunder without giving rise to the right of termination.

(c) by Hughes if:

(i) a breach by EchoStar of any representation or warranty contained in Article 3 hereof has occurred, which breach, in the aggregate with all other such breaches, if any, would give rise to a failure of a condition set forth in Section 6.2(a) and cannot be cured by the Outside Date);

(ii) a breach by EchoStar of any of the covenants or agreements contained herein has occurred, which breach, in the aggregate with all other such breaches, if any, would give rise to a failure of a condition set forth in Section 6.2(b) and cannot be cured by the Outside Date;

(iii) a EchoStar Material Adverse Effect which also would be, or would reasonably be expected to be, a Combined Companies Material Adverse Effect, shall have occurred and be continuing at the time of termination, and cannot be cured by the Outside Date; provided, however, that any and all actions taken by EchoStar pursuant to Section 5.1(b) and the effects thereof on the representations and warranties of EchoStar in Article 3 shall be ignored for the purposes of this Section 7.1(c)(iii);

(iv) (A) Unless the Department of Justice or the Federal Trade Commission shall have agreed to a consent decree or other settlement approving of the Merger prior to the fifteenth Business Day before the Outside Date, the waiting period applicable to the consummation of the Merger under the HSR Act shall not have expired or been terminated on or prior to the date which is fifteen (15) Business Days before the Outside Date, provided, that if the DOJ or the FTC shall have agreed to a consent decree or other settlement permitting consummation of the Merger prior to the fifteenth Business Day before the Outside Date, Hughes shall not be entitled to terminate this Agreement pursuant to this Section 7.1(c)(iv) (A) unless the waiting period applicable to the consummation of the Merger under the HSR Act shall not have expired or been terminated on or prior to the date which is five (5) Business Days before the Outside Date (such period of time between the fifteenth Business Day and the fifth Business Day before the Outside Date, the (“Non-Termination Period”)); provided, further, that

EchoStar shall not be entitled to terminate the Merger Agreement pursuant to any term hereof during the Non-Termination Period if EchoStar did not have such right to terminate this Agreement immediately prior to the first day of the Non-Termination Period; or (B) all material orders and approvals of the FCC required in connection with the consummation of the transactions contemplated hereby shall have not been obtained and become final on or prior to the date which is ten (10) business days before the Outside Date such that the condition in Section 6.1(c) is incapable of being fulfilled unless the DOJ or FTC shall have agreed to a consent decree or other settlement permitting consummation of the Merger prior to the fifteenth Business Day before the Outside Date, in which case all material orders and approvals of the FCC required in connection with the consummation of the transactions contemplated hereby shall have not been obtained and become final on or prior to the date which is three (3) Business Days after the date the consent decree or other settlement permitting consummation of the Merger is filed in court;

(v) (A) a breach by EchoStar of any representation or warranty contained in the Implementation Agreement shall have occurred, which breach cannot be cured by the Outside Date, except to the extent that all of the breaches of such representations and warranties collectively (without giving effect to any materiality or similar qualification) could not reasonably be expected to have a material adverse impact on EchoStar's or Hughes' ability to consummate the transactions contemplated by the GM Transaction Agreements, the EchoStar Transaction Agreements or the Hughes Transaction Agreements or (B) a material breach by EchoStar of any of the covenants or agreements contained in the Implementation Agreement has occurred, which breach cannot be cured by the Outside Date;

(vi) GM (A) shall have been notified by the IRS that the Ruling (as defined in the Implementation Agreement) has been withdrawn, invalidated or modified in an adverse manner or (B)(1) shall have been notified by the IRS, or shall have otherwise reasonably determined, on the basis of an opinion of outside tax counsel, in accordance with Section 6.1(d) of the Separation Agreement, that there is a more than immaterial possibility that the consummation of the Spin-Off will not be tax-free and (2) provided that the matter is capable of being resolved by a ruling by the IRS, GM and Hughes shall have been informed by the IRS that the IRS will not issue a Subsequent Ruling (as defined in the implementation Agreement) confirming the Ruling;

(vii) (A) the Merger Financing Agreement shall not have been entered into, or the definitive terms thereof agreed, by the necessary parties thereto on or prior to the date which is one hundred eighty (180) calendar days after the date of this Agreement.

(viii) GM shall have delivered to EchoStar a Notice of Non-Recommendation (as defined in the Implementation Agreement) pursuant to Section 1.2(b) of the Implementation Agreement and the right to terminate in respect of such Notice of Non-Recommendation shall not have been terminated pursuant to Section 1.2(c) or 1.2(e) of the Implementation Agreement.

(ix) GM shall propose to enter into an agreement or arrangement with respect to a Competing Transaction after having complied with the provisions of

Section 5.1(j)(i)(II) of the Implementation Agreement and shall have paid the Termination Fee owed pursuant to Section 7.2(b) hereof.

(d) by EchoStar if:

(i) GM shall have entered into any agreement or arrangement (other than a confidentiality agreement) regarding, or the Board of Directors of GM or any committee of the Board of Directors of GM shall approve or recommend, any Competing Transaction;

(ii) a breach by Hughes of any representation or warranty contained in Article 4 hereof has occurred, which breach, in the aggregate with all other such breaches, would give rise to a failure of a condition set forth in Section 6.3(a) and cannot be cured by the Outside Date;

(iii) a breach by Hughes of any of the covenants or agreements contained herein has occurred, which breach, in the aggregate with all other such breaches, would give rise to a failure of a condition set forth in Section 6.3(b) and cannot be cured by the Outside Date;

(iv) a Hughes Material Adverse Effect which also would be, or would reasonably be expected to be, a Combined Companies Material Adverse Effect, shall have occurred and be continuing at the time of termination and cannot be cured by the Outside Date; provided, however, that any and all actions taken pursuant to Section 5.1(b), and the effects thereof on the representations and warranties of Hughes in Article 4 shall be ignored for the purposes of this Section 7.1(d)(iv); or

(v) (A) a breach by GM or Hughes of any representation or warranty contained in the Implementation Agreement shall have occurred, which breach cannot be cured by the Outside Date; except to the extent that all of the breaches of such representations and warranties collectively could not reasonably be expected to have a material adverse impact on Hughes' or EchoStar's ability to consummate the transactions contemplated by the GM Transaction Agreements, the Hughes Transactions Agreements or the EchoStar Transaction Agreements; or (B) a material breach by GM or Hughes of any of the covenants or agreements contained in the Implementation Agreement has occurred, which breach cannot be cured by the Outside Date.

(vi) GM shall have delivered to EchoStar a Notice of Non-Recommendation (as defined in the Implementation Agreement) pursuant to Section 1.2(b) of the Implementation Agreement (including by reason of GM having failed to provide a Confirmation (as defined in the Implementation Agreement) to EchoStar within the applicable Confirmation Period (as defined in the Implementation Agreement) pursuant to Section 1.2(d) of the Implementation Agreement) and EchoStar's right to terminate in respect of such Notice of Non-Recommendation shall not have been terminated pursuant to Section 1.2(c) or, in the case of a Notice of Non-Recommendation pursuant to Section 1.2(b) only, Section 1.2(e) of the Implementation Agreement.

Section 7.2. Effect of Termination; Fees and Expenses upon Termination.

(a) In the event of the termination of this Agreement pursuant to Section 7.1, this Agreement, except for the provisions of Section 5.1(f), this Section 7.2 and Sections 8.2 through 8.11, shall become void and have no effect, without any liability on the part of any party or its directors, officers, employees or stockholders. Notwithstanding the foregoing, nothing in this Section 7.2 shall relieve or release any party to this Agreement of liability for a breach of any provision of this Agreement or invalidate the provisions of the Confidentiality Agreement.

(b) If this Agreement is terminated (A) (i) by EchoStar or Hughes pursuant to Section 7.1(b)(iii), (ii) at any time after the date of this Agreement and before such termination a Competing Transaction shall have been publicly disclosed and (iii) within fifteen months of such termination GM or any of its Subsidiaries enters into a definitive agreement with respect to, or consummates, such Competing Transaction, (B) (i) by EchoStar or Hughes pursuant to Section 7.1(b)(iii), (ii) at any time after the date hereof, a Competing Transaction shall have been publicly disclosed which Competing Transaction has not been withdrawn or abandoned at the time of such stockholder vote and (iii) within fifteen months of such termination GM or any of its Subsidiaries enters into a definitive agreement with respect to, or consummates, any Competing Transaction, or (C) by Hughes pursuant to Sections 7.1(c)(viii) or (c)(ix) or by EchoStar pursuant to Sections 7.1(d)(i) or (vi), then, in each case, Hughes shall pay or cause to be paid to EchoStar, in cash by wire transfer in immediately available funds to an account designated by EchoStar, (x) on the same day as the execution of a definitive agreement with respect to the referenced Competing Transaction, in the event this Agreement is terminated by EchoStar or Hughes as described in clauses (A) or (B) above, or (y) no later than one business day following such termination, in the event this Agreement is terminated by EchoStar as described in clause (C) above, and (z) concurrently with such termination in the event this Agreement is terminated by Hughes as described in clause (C) above, a termination fee and expense reimbursement in an aggregate amount equal to \$600,000,000.00 (Six Hundred Million Dollars) (the "Termination Fee"), which amount shall not be subject to offset on deduction of any kind by Hughes.

(c) If this Agreement is terminated by EchoStar pursuant to Section 7.1(b)(i)(A)(l) or by Hughes pursuant to Section 7.1(b)(i)(A)(l) or Section 7.1(c)(iv), EchoStar shall pay or cause to be paid to Hughes, in cash by wire transfer in immediately available funds to an account designated by Hughes, no later than one business day following such termination, if terminated by Hughes, or concurrently with such termination, if terminated by EchoStar, a termination fee and expense reimbursement in an amount equal to \$600,000,000.00 (Six Hundred Million Dollars), which amount shall not be subject to offset or deduction of any kind by EchoStar; provided, that the payment of one-half of the Termination Fee shall not be required concurrently with such termination (and the parties may elect to resolve such dispute in accordance with Section 8.9) if Hughes' failure (or the failure of any of its Affiliates) to comply with Section 5.1(b) has been the cause of or resulted in the occurrence or non-occurrence which permitted termination under Section 7.1(b)(i)(A)(l) or 7.1(c)(iv). Notwithstanding anything to the contrary in this Section 7.2(c), if the parties have available to them, and EchoStar is willing to accept, a settlement, consent decree, stipulation or other agreement or resolution (each a "Settlement") with the Department of Justice, the Federal Trade Commission or any other Governmental Authority, but Hughes terminates this Agreement pursuant to Section 7.1(b)(i)(A)(l) or Section 7.1(c)(iv) hereof then EchoStar shall not be required to pay Hughes the termination fee described in this Section 7.2(c).

(d) The parties hereto agree that the provisions contained in this Section 7.2 are an integral part of the transactions contemplated by this Agreement, that the damages resulting from the termination of this Agreement as set forth in Sections 7.2(b) and (c) of this Agreement are uncertain and incapable of accurate calculation and that the amounts payable pursuant to Sections 7.2(b) and (c) hereof are reasonable forecasts of the actual damages which may be incurred by the parties under such circumstances. The amounts payable pursuant to Sections 7.2(b) and (c) hereof constitute liquidated damages and not a penalty and shall be the sole monetary remedy in the event of termination of this Agreement on the bases specified in such Sections. If either party fails to pay to the other party any amounts due under Sections 7.2(b) and (c), as applicable, in accordance with the terms hereof, the breaching party shall pay the costs and expenses (including legal fees and expenses) of the other party in connection with any action, including the filing of any lawsuit or other legal action, taken to collect payment.

(e) Any amounts not paid when due pursuant to this Section 7.2 shall bear interest from the date such payment is due until the date paid at a rate equal to LIBO plus three percent. For purposes of this Agreement, LIBO shall mean the current LIBO rate as quoted by Citibank, N.A., adjusted for reserve requirements, if any, and subject to customary change of circumstance provisions, for interest periods of six months.

Section 7.3. Amendment. This Agreement may be amended by the parties hereto, by action taken or authorized by their respective Boards of Directors; provided however, that no amendment shall be made which by law requires approval or authorization by the stockholders of Hughes or EchoStar, without such approval or authorization. Notwithstanding the foregoing, this Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto.

Section 7.4. Extension; Waiver. At any time prior to the Merger Effective Time, Hughes (with respect to EchoStar) and EchoStar (with respect to Hughes) by action taken or authorized by their respective Boards of Directors, may, to the extent legally allowed, (a) extend the time for the performance of any of the obligations or other acts of such other party, (b) waive any inaccuracies in the representations and warranties of the other party contained herein or in any document delivered pursuant hereto and (c) waive or extend the time for compliance by such other party with any of the agreements or conditions contained herein. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in a written instrument signed on behalf of such party.

ARTICLE 8

MISCELLANEOUS

Section 8.1. No Survival of Representations and Warranties. The parties hereto hereby agree that the representations and warranties of Hughes and EchoStar contained in this Agreement or in any certificate, document or instrument delivered in connection herewith (other than the Implementation Agreement), shall not survive the Merger Effective Time.

Section 8.2. Notices. All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally, telecopied (which is confirmed) or dispatched by a nationally recognized overnight courier service to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

(a) if to Hughes Electronics Corporation

200 North Sepulveda Boulevard
El Segundo, CA 90245
Attention: General Counsel
Telecopy No.: (310) 456-1089

with a copy to:

Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, NY 10153
Attention: Frederick S. Green and
Michael E. Lubowitz
Telecopy No.: (212) 310-8007

and

Kirkland & Ellis
200 East Randolph Drive
Chicago, IL 60601
Attention: R. Scott Falk and
Joseph P. Gromacki
Telecopy No.: (312) 861-2200

(b) if to EchoStar Communications Corporation

5701 South Santa Fe Drive
Littleton, Colorado 80120
Attention: David K. Moskowitz, General Counsel
Telecopy No.: (303) 723-1699

with a copy to:

Sullivan & Cromwell
125 Broad Street
New York, New York 10004
Attention: Frank J. Aquila and John J. O'Brien
Telecopy No.: (212) 558-3588

Section 8.3. Interpretation; Absence of Presumption.

(a) For the purposes of this Agreement, (i) words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other gender as the context requires, (ii) the terms "hereof", "herein", and "herewith" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including all of the Schedules and Exhibits hereto) and not to any particular provision of this Agreement, and Article, Section, paragraph, Exhibit and Schedule references are to the Articles, Sections, paragraphs, Exhibits and Schedules to this Agreement unless otherwise specified, (iii) the word "including" and words of similar import when used in this Agreement shall mean "including, without limitation," unless the context otherwise requires or unless otherwise specified, (iv) the word "or" shall not be exclusive, (v) provisions shall apply, when appropriate,