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May 13, 2009

State of Utah
Division of Purchasing and General Services
State Office building, Capitol Hill
Room 3150
Salt Lake City, UT 84114-1061

Attention: Debbie Gunderson
Subject: Termination of State of Utah – State Cooperative Contract
Reference: State of Utah – State Cooperative Contract, Contract Number MA246
Attachment: Usage Report

Dear Ms. Gunderson,

In accordance with the Cancellation section of the above referenced Contract entered into between Globalstar USA, LLC and the State of Utah Division of Purchasing and General Services (“WSCA Contract”) this letter provides a 60 day notice of cancellation.

As provided to you via e-mail on 1/30/09 from Amy Lee, and attached to this letter, it was shown that there were no WSCA Sales in the fourth quarter of 2008. Given the lack of usage, maintaining this Contract imposes a burden on Globalstar USA, particularly when there are other options for WSCA.

In case you are not yet aware, the quality of Globalstar’s voice service has degraded as a result of the aging of the satellites launched between 1998 and 2000. The service is no longer available at all times in all locations. The voice service is particularly unsuitable at this time for emergency purposes. Globalstar has contracted for new satellites to be launched later this year or early next year. By mid to late 2010 the service will again be at its formerly high quality level.

One option for the State of Utah and the states that we have executed Participating Addendums is to buy Globalstar service under the Globalstar GSA Federal Supply Schedule GS-35F-0489S. Under this Federal IT Schedule 70 individual states can participate along with local governments. Under the GSA Federal Supply Schedule a state entity can receive the lowest possible cost for Globalstar equipment and service. We suggest that you discuss this and other options with Donnie Hatch, Globalstar’s Distribution Manager as there may be other ways in which Globalstar USA can satisfy WSCA’s and Utah’s requirements for satellite phone service.

If there are any questions about the Contract, please contact the undersigned at (408) 933-4397 or by email at kirk.henesian@globalstar.com.

Sincerely,
Globalstar USA


Kirk Henesian
Contracts Manager

CC: Donnie Hatch