

G3 Smart Card Exchange – Managing Your Inventory

October 8, 2008

Dear DISH Network® Retailer,

Beginning in July of this year, DISH Network launched a project to exchange old (Aladin) Smart Cards in customer receivers for new (G3) Smart Cards. As part of this process, we are sending new G3 Smart Cards directly to customers with instructions on how to complete the simple installation process. Additionally, we have started to include the new G3 Smart Cards in receivers currently being sold – so for these receivers, the G3 Smart Card exchange may not be necessary.

- **Support for Un-Exchanged Smart Cards is Scheduled to End in November 2008** – In November, we plan to start the process of shutting off programming to Aladin Smart Cards. Therefore, it is important that you install customers with older receivers from your inventory first in order to deplete your supply of Aladin Smart Cards. The Aladin Smart Cards in these older receivers may be exchanged for the new G3 Smart Cards after they are activated with customers and before any programming shut-offs.
 - **First In, First Out Inventory Management** – As a reminder, to help you manage your inventory and ensure your customers have the appropriate equipment, please make sure you are using a “first in, first out” (FIFO) inventory management process. A FIFO rotation of equipment means you install the receivers you received in earlier shipments before installing the receivers you received in later shipments. This will help ensure that the receivers which have the Aladin Smart Card are moved out of your stock prior to programming shut-offs.
 - **Please note that there will not be a process to exchange Aladin Smart Cards in receivers that remain in your inventory after October 2008**, so it is important to rotate older receivers out of your inventory before November 2008.
 - **Showroom Accounts** – The G3 Smart Card exchange also applies to receivers used on showroom accounts. If you remove a receiver with an Aladin Smart Card from your showroom account and then re-activate it *before* exchanging the Aladin Smart Card with a new G3 Smart Card, that receiver may not be able to receive all applicable programming after November 2008.

Thanks for Supporting DISH Network!

The foregoing (including, without limitation, brief description(s) of certain terms and conditions applicable to each of the Promotional Programs named in this Facts Blast) may be subject to applicable Business Rules and/or different terms and conditions of your Retailer Agreement with DISH Network L.L.C., formerly known as EchoStar Satellite L.L.C. (“DISH”). In the event of any conflict or inconsistency between the terms and conditions set forth in any applicable Business Rules and the terms and conditions set forth above, the terms and conditions of such Business Rules shall be controlling.

With respect to hardware purchased by a Retailer from Echosphere L.L.C. (“Echosphere”), all equipment discounts and other Incentives shall be paid by DISH subject to and in accordance with the terms and conditions of each participating Retailer’s Retailer Agreement and applicable Business Rules. With respect to hardware purchased by a Retailer from an Authorized Distributor, any and all equipment discounts and other Incentives shall be paid by the Authorized Distributor in accordance with and subject to the terms and conditions of your applicable agreement(s) with such Authorized Distributor. Notwithstanding anything set forth in this Facts Blast to the contrary, any and all references herein to equipment discounts and/or other Incentives shall apply solely and exclusively to Retailers who purchase their hardware from Echosphere. All capitalized terms set forth in this and the immediately prior paragraph shall have the meaning ascribed to them in your Retailer Agreement.