



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE
IN AND FOR NEW CASTLE COUNTY

HIGHLAND SELECT EQUITY FUND,)
L.P., a Delaware limited partnership,)
)
Plaintiff,)
)
v.) C.A. No. 2092-N
)
MOTIENT CORPORATION, a Delaware)
corporation,)
)
Defendant.)

**ANSWER, DEFENSES, AND AFFIRMATIVE
DEFENSES TO PLAINTIFF'S COMPLAINT**

By and through its undersigned counsel, defendant Motient Corporation (“Motient” or “Defendant”) hereby answers the Complaint of plaintiff Highland Select Equity Fund, L.P. (“Highland” or “Plaintiff”) as follows:

I. ANSWER

1. Defendant admits that Plaintiff purports to have brought this action pursuant to Section 220(b) of the General Corporation Law and seeks to compel Defendant to make available to Plaintiff for inspection certain books and records of Defendant. Defendant denies the remaining factual allegations in Paragraph 1 and the conclusions of law contained therein.

2. Defendant admits that it has not provided any books and records in response to Plaintiff's demand. Defendant denies the remaining factual allegations in Paragraph 2 and the conclusions of law contained therein.

3. Defendant denies the allegation that “Highland and its affiliates collectively own approximately 14% of Motient’s outstanding common stock.” Defendant is without knowledge or information sufficient to form a belief as to the remaining factual allegations in Paragraph 3.

4. Defendant admits the allegations in the first and second sentences of Paragraph 4. Defendant is without knowledge of the basis for the calculation on which the allegations of the third sentence are based, and accordingly denies such allegations.

5. Defendant admits that on March 30, 2006, Defendant filed its 2005 annual report on Form 10-K, which is itself the best evidence of its contents. Defendant denies the remaining factual allegations of Paragraph 5.

6. Defendant admits that it has restated its financial statements as set forth in its filings on Form 10-Q for the periods ended March 31, 2005, June 30, 2005, and September 30, 2005, which are themselves the best evidence of their contents. Defendant denies the remaining factual allegations of Paragraph 6.

7. Defendant admits that it filed its 2005 annual report on Form 10-K, which is itself the best evidence of its contents. Defendant also admits that, together with its affiliates, Highland is Motient’s largest stockholder. Defendant is without knowledge or information sufficient to form a belief as to the state of mind of Highland or its affiliates, and accordingly denies the allegation of the second sentence of Paragraph 7. Defendant denies the remaining factual allegations of Paragraph 7 and the conclusions of law contained therein.

8. Defendant admits that it filed its 2005 annual report on Form 10-K, which is itself the best evidence of its contents. Defendant is without knowledge or information

sufficient to form a belief as to what is “of material concern and importance to Highland.” Defendant denies the remaining factual allegations of Paragraph 8 and the conclusions of law contained therein.

9. Defendant admits that it filed its 2005 annual report on Form 10-K, which is itself the best evidence of its contents. Defendant denies the remaining factual allegations of Paragraph 9 and the conclusions of law contained therein.

10. Defendant is without knowledge or information sufficient to form a belief as to the motivation for Highland’s recent actions and accordingly denies the allegations in the first sentence of Paragraph 10. Defendant admits the allegations in the second and third sentences of Paragraph 10. Defendant is without knowledge or information sufficient to form a belief as to truth of the allegations in the last sentence of Paragraph 10.

11. Defendant admits the allegations in Paragraph 11.

12. Defendant admits that some or all of the supposed purposes set forth in subparagraphs a-h of Paragraph 12 were stated in the 220 letter, but is without knowledge or information sufficient to form a belief as to Highland’s actual purpose(s), and accordingly denies the allegations of Paragraph 12.

13. Defendant denies the factual allegations of Paragraph 13 and the conclusions of law contained therein.

14. Defendant admits that it has refused Highland’s demand to inspect Motient’s books and records. Defendant denies the remaining allegations in Paragraph 14.

15. Defendant denies the factual allegations of Paragraph 15 and the conclusions of law contained therein.

16. Defendant denies the factual allegations of Paragraph 16 and the conclusions of law contained therein.

17. Defendant repeats and realleges by reference its responses to the foregoing paragraphs as if fully set forth herein.

18. Defendant denies the factual allegations of Paragraph 18 and the conclusions of law contained therein.

19. Defendant denies the factual allegations of Paragraph 19 and the conclusions of law contained therein.

20. Defendant admits that it has not provided any books and records in response to the 220 letter and that Defendant so indicated in its letter to Highland in response to the 220 letter. Defendant denies the remaining factual allegations of Paragraph 20 and the conclusions of law contained therein.

21. Defendant denies the factual allegations of Paragraph 21 and the conclusions of law contained therein.

22. Defendant denies the factual allegations of Paragraph 22 and the conclusions of law contained therein.

II. DEFENSES AND AFFIRMATIVE DEFENSES

Without assuming the burden of proof where such burden properly rests with Plaintiff and without waiving and hereby expressly reserving the right to assert any and all such defenses at such time and to such extent as discovery and factual

developments establish a basis therefore, Defendant hereby asserts, as and for defenses and affirmative defenses to the claims asserted in the Complaint, that:

1. The Complaint fails to state a claim upon which relief may be granted.
2. Some or all of Plaintiff's claims may be barred by the doctrine of estoppel.
3. Some or all of Plaintiff's claims may be barred by the doctrine of laches.
4. Some or all of Plaintiff's claims may be barred by the doctrine of waiver.

Defendant has not knowingly or intentionally waived any applicable defenses. Defendant presently lacks sufficient knowledge or information on which to form a belief as to whether it may have additional, as yet unstated, defenses or affirmative defenses, and reserves the right to assert such additional defenses or affirmative defenses.

Dated May 3, 2006

Respectfully submitted,

/s/ Richard P. Rollo

Gregory P. Williams (DSBA No. 2168)

Lisa A. Schmidt (DSBA No. 3019)

Richard P. Rollo (DSBA No. 3994)

Harry Tashjian, IV (DSBA No. 4609)

Richards, Layton & Finger, P.A.

One Rodney Square

P.O. Box 551

Wilmington, Delaware 19899

Main: (302) 651-7700

ATTORNEYS FOR DEFENDANT
MOTIENT CORPORATION

OF COUNSEL:

T. Ray Guy

Robert R. Summerhays

Nicole S. Gambrell

Paige Holden Montgomery

Weil, Gotshal & Manges LLP

200 Crescent Court, Suite 300

Dallas, Texas 75201

Main: (214) 746-7700

Fax: (214) 746-7777

Richard W. Slack

Weil, Gotshal & Manges LLP

767 Fifth Avenue

New York, New York 10153

Main: (212) 310-8000

Fax: (212) 310-8007