Milbank, Tweed, Hadley & McCloy LLP

Milbank March 2009

A monthly round-up of space industry developments for the information of our clients and friends.

Globalstar Secures Coface Financing

Globalstar, Inc. announced on March 25 that ***Coface***, France's export credit agency, has agreed to guarantee a proposed $574m credit facility to be extended to Globalstar by a syndicate of banks that include ***BNP Paribas***, ***Natixis*** and ***Société Générale***, acting as lead arrangers, with BNP Paribas acting as the Coface Agent. The credit facility involves a 6.3% interest rate and is subject to closing conditions which include the receipt by Globalstar of approximately $100m in additional equity and contingent equity, most of which is expected to be provided by ***Thermo Funding Company LLC***, Globalstar's principal stockholder, and the conversion into equity at closing of senior secured term and revolving credit loans to Globalstar from Thermo Funding. The credit financing will be used to fund the manufacture and delivery of the Globalstar second-generation satellites by ***Thales Alenia Space***, the launch of these satellites by ***Arianespace***, completion of Globalstar's next-generation ground facilities and the design of its next-generation satellite/user equipment interface chipsets.

Thales Alenia to Build Eutelsat's W3C

On March 12, ***Eutelsat Communications***, the holding company of ***Eutelsat S.A.***, announced that it has selected ***Thales Alenia Space*** as contractor for its planned ***W3C*** communications satellite. Based on the ***Spacebus 4000*** platform, the spacecraft will be equipped with 56 Ku-band transponders and co-positioned with the ***W3A*** satellite at the 7°EL orbital location. W3C is scheduled for launch in the third quarter of 2011 and will provide direct-to-home broadcast, Internet connectivity and data network services to Europe, North Africa, the Middle East (up to central Asia) and the Indian Ocean islands.

WorldSpace Assets Sold to Yenura

On March 19, the US Bankruptcy Court, District of Delaware, approved the sale of ***WorldSpace Inc.***'s assets related to its satellite radio business along with its subsidiaries, ***WorldSpace Systems Corp***. and ***AfriSpace Inc.***, to Singapore-based ***Yenura Pte. Ltd.*** for $28m in cash plus the assumption of certain liabilities, as well as the subordination and release of certain claims. The entities expect the sale to be completed following the receipt of necessary regulatory approvals. Yenura is controlled by WorldSpace's founder, chairman and CEO, Noah Samara.

ILS Sets Launch Services for SES

On March 18, ***International Launch Services*** (ILS) announced three new launch services for ***SES*** under the June 2007 Multi-Launch Agreement entered into with ***SES Satellite Leasing Ltd.***, SES's satellite procurement and leasing company based in the Isle of Man. The three missions involve the ***NSS-14*** satellite for ***SES NEW SKIES*** (scheduled for late 2010), the ***Sirius 5*** satellite for ***SES SIRIUS*** (scheduled for the second half of 2011) and the ***OS-1*** satellite (scheduled for early 2010). NSS-14, built by ***Space Systems/Loral*** (SS/L) based on its ***1300*** platform, will be equipped with 52 C-band and 72 Ku-band transponders and provide C-band coverage over the United States and the eastern hemisphere of Europe/Africa and Ku-band coverage over Europe, the Middle East, West Africa, North America and South America from the 338°EL orbital location. Sirius 5, a multi-mission satellite also built by SS/L, will be equipped with 36 Ku-band transponders to provide Northern Europe, the Baltic region and African markets with direct-to-home broadcast services and 24 C-band transponders with global and hemispheric coverage, providing broadband, point-to-point and VSAT services from the 5°EL orbital location. OS-1 will be deployed in the U.S. domestic orbital arc, with additional details to be released in the future.

March Launch Services Orders

ViaSat Inc. announced on March 11 a contract with ***International Launch Services*** (ILS) for the launch of the ***ViaSat-1*** satellite on a ***Proton-M*** launcher in the first half of 2011 from the ***Baikonur Cosmodrome*** in Kazakhstan. ViaSat-1, expected to weigh approx. 6,000 kg at launch, is being built by ***Space Systems/Loral*** based on its ***1300*** platform and will be equipped with high-capacity Ka-band spot beam technology to provide broadband Internet services across North America from the 115°WL orbital location. On March 23, ILS and ***Intelsat*** announced the signing of a contract for the launch of the ***Intelsat 16*** (IS-16) satellite on an ILS ***Proton*** launcher later this year from the Baikonur Cosmodrome in Kazakhstan. The satellite, built by ***Orbital Sciences Corporation*** based on its ***STAR***™ platform, will be equipped with 18 active Ku-band transponders to provide direct-to-home services to customers in Latin America from the 58°WL orbital location. IS-16 will weigh 2,500 kg at launch and has a design life of 15 years.

BEIJING
FRANKFURT
HONG KONG
LONDON
LOS ANGELES
MUNICH
NEW YORK
SINGAPORE
TOKYO
WASHINGTON DC