Milbank, Tweed, Hadley & McCloy LLP

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

October Satellite Orders

On October 9, ***Space Systems/Loral*** (SS/L) announced that it has been awarded a contract to manufacture the ***Sirius 5*** satellite for ***SES SIRIUS AB***. Based on SS/L's **1300** series platform, the satellite will be equipped with 36 Ku- and 24 C-band transponders and is designed to provide coverage for direct-to-home broadcasting, broadband, point-to-point and VSAT services in Europe and Africa from the 5°EL orbital location. Sirius 5 is scheduled for delivery in 2011 and has a design life of more than 15 years. On October 15, ***China Great Wall Industry Corporation*** announced that it was awarded a contract for the in-orbit delivery of the ***PAKSAT-1R*** satellite for the ***Pakistan Space and Upper Atmosphere Research Commission***. The spacecraft will be equipped with 18 Ku-band and 12 C-band transponders and is scheduled for launch in 2011 on a ***Long March 3B*** vehicle. PAKSAT-1R will provide telecommunication and broadcast services to customers in Pakistan.

Sirius-XM & SS/L Developments

On October 16, ***Sirius XM Radio Inc***. solicited its shareholders for the right to declare a reverse split of its common shares (by a ratio of not less than 1-for-10 and not more than 1-for-50) at any time prior to December 31, 2009, in an effort to increase its share price. Sirius XM shareholders were also asked to approve a plan to increase the number of authorized shares of common stock to 8b from its current 4.5b. On October 22, ***Space Systems/Loral*** announced that it entered into a three-year, secured $100m revolving credit agreement led by ***J.P. Morgan Securities Inc***. and syndicated among six major banks to backstop capital expenditure requirements and provide for contingencies.

European S-band Authorization Process

As of the October 7 deadline, ***ICO Global***, ***Inmarsat***, ***Solaris*** (a joint venture between ***SES*** and ***Eutelsat***) and ***Terrestar Europe*** submitted their applications to the ***European Commission*** (EC) for a pan-European 2GHz MSS S-band spectrum authorization. The EC is expected to complete the authorization process in the first part of 2009 by granting two licenses of 2x15MHz spectrum in the 2GHz radio frequency bands. The selection criteria include the range of services to be offered across Europe and the capacity of the system to fulfill public policy objectives.

October Launches

Boeing Launch Services announced on October 24 that it successfully launched the third of four Italian ***COSMO-SkyMed*** Earth observation spacecraft. The launch took place from ***Vandenberg Air Force Base*** using a ***Delta II*** vehicle. The satellite was manufactured by ***Thales Alenia Space Italia*** for the ***Italian Space Agency*** and the ***Italian Ministry of Defense***. The COSMO-SkyMed is a dual use (civil and military) system that will provide imagery of the Earth using an X-Band synthetic aperture radar sensor equipped to operate in all visibility conditions. On October 29, Venezuela announced the successful launch of its first satellite, ***Venesat 1***, by a Chinese ***Long March 3B*** vehicle from the ***Xichang Satellite Launch Center***. The spacecraft was manufactured by the ***China Academy of Space Technology*** based on its ***DFH-4*** platform and is equipped with 12 C-band and 14 Ku-band transponders to provide telecommunications, high speed Internet and radio and TV distribution services to government, military and civilian customers in Central and South America. Venesat 1 has a design life of 15 years and will operate at the 78ºEL orbital position.

Arianespace Secures Launch Orders

Arianespace announced on October 22 that it has signed an agreement with ***Thales Alenia Space*** to launch the ***Rascom-QAF 1R*** telecommunications satellite for ***RascomStar-QAF***, a Mauritius-based company. The launch will be performed by an ***Ariane 5*** or ***Soyuz*** vehicle during the second half of 2010. Rascom-QAF 1R will be built by Thales Alenia Space based on its ***Spacebus 4000 B3*** platform and will be equipped with 12 Ku-band and 8 C-band transponders to provide telecommunications services across Africa from the 2.85°EL orbital location. On October 17, ***Arianespace*** announced that ***SES*** has exercised an option to launch three telecommunications satellites, including the ***Astra 3B*** direct-broadcast television and broadband Internet satellite, using the ***Ariane 5*** vehicle between 2009 and 2012. SES exercised this option as part of a multilaunch arrangement signed with Arianespace and ***International Launch Services*** in June 2007. The agreement was for 10 launches for each contractor, with the other contractor acting as a backup.

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