

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

XM Satellite Radio Offers Senior Notes

XM Satellite Radio Inc. (XM), a wholly owned indirect subsidiary of **Sirius XM Radio**, announced on June 22 the offering of \$350M (raised to \$525.75M on June 25) in aggregate principal amount of senior secured notes due 2013. The notes were offered to qualified institutional buyers pursuant to Rule 144A and Regulation S under the Securities Act of 1933 and will bear interest at an annual rate of 11.25%. XM will use the net proceeds from the offering to repay all amounts outstanding under its amended and restated credit agreement; to replace the \$150M second-lien credit agreement with **Liberty Media Corporation**; and to refinance or repay other corporate debt.

SS/L Announces 4 Satellite Orders

On June 16, **Hughes Network Systems, LLC** (Hughes) announced the selection of **Space Systems/Loral** (SS/L) to build its next generation, 100 Gbps high-throughput satellite to be launched in the first quarter of 2012. Based on the SS/L **1300** platform, the new Hughes satellite will employ a multi-spot beam and a bent pipe Ka-band architecture to provide HughesNet broadband Internet services across North America and augment the capacity currently available on the **SPACEWAY 3** satellite, launched in April 2008. On June 18, SS/L announced that it has been selected to build the **Intelsat 19** (IS 19) and **Intelsat 20** (IS 20) satellites for **Intelsat, Ltd.** based on its 1300 platform. IS 19, scheduled for launch in 2011, will be located at the 166°EL orbital location and will provide Ku-band capacity for Direct-to-Home (DTH) and network services applications in Australia and across the Asia-Pacific region. IS 20, scheduled for launch in 2012, will be positioned at the 68.5°EL orbital location and will include a C-band payload with coverage of the South Asian markets and a Ku-band payload designed to provide DTH and enterprise network services to Asia, Africa and the Middle East. Also, on June 18, **Asia Broadcast Satellite Limited** (ABS) of Hong Kong announced that it has selected SS/L to manufacture the **ABS-2** satellite, scheduled for launch in 2012. The spacecraft will be positioned at the 75°EL orbital location and will be equipped with up to 78 active C-band, Ku-band and Ka-band transponders to provide DTH, cable TV distribution, VSAT and multi-point communications services in the Asia Pacific region.

June Launches

Land Launch announced on June 21 the successful launch of the **MEASAT-3a** satellite from the **Baikonur Cosmodrome** in Kazakhstan on a **Zenit-3SLB** launcher. The satellite, built for **MEASAT Satellite Systems Sdn Bhd** by **Orbital Sciences Corporation** based on its **STAR-2** platform, is equipped with 12 Ku-band and 12 C-band transponders. From its 91.5°EL orbital location, the satellite will provide DTH services to Malaysia and Indonesia as well as C-band fixed satellite services across the Asia Pacific, the Middle East, Africa, Europe and Australia. On June 30, **International Launch Services, Inc.** successfully launched the **FM-5** satellite for **Sirius XM Radio** from the Baikonur Cosmodrome on a **Proton Breeze M** rocket. FM-5 was built by **Space Systems/Loral** based on its **1300** bus design and weighed 5,820 kg at launch. The spacecraft is equipped with a payload designed to increase the radio signal reception performance of smaller fixed and mobile digital user devices and will be positioned at the 96°WL orbital location.

June Launch Orders

International Launch Services, Inc. (ILS) announced on June 10 that it has signed a contract for two firm launches and one optional launch with **Intelsat, Ltd.** This is the second launch services agreement between the two companies, after previously signing an agreement for the launch of the **Intelsat 16** satellite. The terms of the agreement and the mission assignments were not disclosed. On June 16, **Arianespace S.A.** announced that it was selected by **ST-2 Satellite Ventures Pte Ltd (STS)**, a joint venture formed by **Singapore Telecommunications Ltd.** (SingTel) and **Chunghwa Telecom Company Ltd.**, to launch its **ST-2** telecommunications satellite using an **Ariane 5 ECA** launcher from **Kourou, French Guiana** in the second quarter of 2011. The ST-2 satellite is being built by **Mitsubishi Electric Corporation** based on its **DS2000** platform and will be equipped with C-band and Ku-band transponders providing fixed and mobile satellite services in Asia and the Middle East. Also on June 16, Arianespace announced that it was selected by **ABS** to launch its **ABS-2** satellite using an Ariane 5 ECA vehicle from Kourou, French Guiana during the first half of 2012.

To learn about Milbank's Space Business Practice, or view previous issues of the Space Business Review, please visit www.milbank.com. The information contained herein is provided for informational purposes only and should not be construed as legal advice on any subject matter. Recipients of this publication should not take or refrain from taking any action based upon content included herein. If you do not wish to receive this newsletter, please send an e-mail to MilbankSBG@milbank.com with the word "unsubscribe" in the subject line. ATTORNEY ADVERTISING. Prior results do not guarantee similar results.
© 2009 - Milbank, Tweed, Hadley & McCloy LLP.