

Space Business Review

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

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ORBCOMM \$160M CREDIT FACILITIES

On October 6, **ORBCOMM Inc.**, a global provider of Machine-to-Machine (M2M) solutions, announced that it entered into a multi-facility Credit Agreement providing up to \$160m with **Macquarie Group Limited**. Under the Credit Agreement, ORBCOMM will have access to a \$70m initial term loan facility, a revolving credit facility of up to \$10m and acquisition term loan facilities worth up to \$80m. All of the facilities have a five-year maturity from the funding date and carry interest at the rate of 475 basis points over LIBOR without a scheduled principal amortization. ORBCOMM plans to use the proceeds from the initial term loan to repay in full its \$45m, 9.50% fixed rate Senior Secured Notes due 2018 and for general corporate purposes and the proceeds from the other two facilities to fund potential acquisitions.

THAICOM \$140.4M DEBT ISSUANCE

On September 29, **Thaicom Public Company Limited** (Thaicom) announced that it issued debentures with a value of up to Bt4.55b (U.S.\$140.4m). The debentures are priced at Bt1,000 (U.S.\$30.9) each and are divided between two tranches – a five-year tranche carrying interest at 4.28% per year and a seven-year tranche carrying interest at 4.68% per year – that, together, will not exceed 4.55m units. Thaicom intends to use the proceeds from the issuance to repay the debt that funded its **Thaicom 7** satellite, manufactured by **Space Systems/Loral, LLC** and successfully launched by **Space Exploration Technologies Corporation** (SpaceX) on September 7, and to help finance its procurement of the **Thaicom 8** satellite, which Thaicom recently ordered from **Orbital Sciences Corporation** and which will be positioned at the 78.5°E orbital location following its launch by **SpaceX** in 2016.

FCC TO STREAMLINE SATELLITE RULES

On September 30, the **Federal Communications Commission** issued a Further Notice of Proposed Rulemaking to implement sweeping reforms intended to streamline and simplify its rules governing satellite communications. The proposed reforms include changes that will facilitate international coordination of satellite networks by permitting early submissions to the **International Telecommunication Union**, will eliminate, or simplify showings for, milestone requirements and will revise the two-degree spacing rule to better account for small antennas.

OCTOBER LAUNCHES

October 16 – **Arianespace S.A.** successfully launched the **Intelsat 30** and **ARSAT-1** satellites for **Intelsat S.A.** (Intelsat) and **ARSAT**, respectively, on an **Ariane 5** launch vehicle from the Guiana Space Centre in French Guiana. Intelsat 30 carries the **DLA-1** hosted payload for **DIRECTV, LLC** and will be co-located with Intelsat's **Galaxy 3C** satellite at the 95°W orbital position. Manufactured by **Space Systems/Loral, LLC** based on its **SSL 1300** platform, Intelsat 30 will expand DTH offerings and provide back-up and restoration services for users in Latin America. ARSAT-1, the first geostationary satellite manufactured in Argentina, was built by **INVAP S.E.**, with **Airbus Defence and Space** and **Thales Alenia Space** serving as primary equipment suppliers. ARSAT-1 will deliver a wide range of telecommunications, data transmission, telephone and television services throughout Argentina, Chile, Uruguay and Paraguay from the 71.8°W orbital location.

October 22 – Russia's heavy-lift **Proton** launch vehicle launched the **Express-AM6** satellite for **Russian Satellite Communications Company**, marking the launch vehicle's second flight since its grounding after a failure earlier this year in May. Manufactured by **JSC Information Satellite Systems - Reshetnev Company**, Express-AM6 is equipped with 72 C-, Ku-, Ka- and L-band transponders and 11 antennas supplied by **MacDonald, Dettwiler and Associates Ltd.** Express-AM6 will be positioned at the 53°E orbital location to provide coverage of Russia, the Urals, Western Siberia and parts of the Middle East, Europe and Africa.

PEMBROKE LAUNCH DELAY INSURANCE

On October 8, **Ironshore Inc.** announced that its subsidiary, **Pembroke Managing Agency Limited**, is introducing a series of new insurance offerings designed to protect satellite operators and manufacturers and launch services providers from losses arising from launch delays. Six new contingent products with capacity limits of up to \$15m will provide coverage for losses associated with financial exposures (such as lost lease payments in the case of satellite operators) and contractual liabilities (such as obligations to pay liquidated damages in the case of launch services providers and satellite manufacturers), as compared to losses relating to physical loss or damage, which can be insured under more traditional satellite insurance policies.