

Contribution of the
Director General

AP-38-14E W/06/18
13 April 2018

**REPORT OF THE DIRECTOR GENERAL
ON THE AMENDED ARTICLE XII (C)(II) OF THE ITSO AGREEMENT**

I. EXECUTIVE SUMMARY

1. The Thirty-First meeting (Extraordinary) of the Assembly of Parties, held during the period 20-23 March 2007 in Paris, France, approved an Amendment to Article XII, Paragraph (c)(ii) of the ITSO Agreement in order to protect the Parties' Common Heritage orbital locations and associated frequency assignments in case of adverse or unforeseen situations. The Amendment entered into force on 16 January 2017, in accordance with Article XV(e) of the Agreement.

2. Taking into consideration the importance of the Parties' Common Heritage and the urgency of protecting these frequency assignments associated with orbital locations that were made available by the Parties so that the Core Principles could be fulfilled, it is timely to consider the next steps to be taken with respect to implementation of the Amendment, in order to assure continued protection of the Parties' Common Heritage frequency assignments associated with orbital locations *"in the event that the Company, or any future entity using the Common Heritage frequency assignments, waives such frequency assignment(s), uses such assignment(s) in ways other than those set forth in this Agreement, or declares bankruptcy"*.

3. Protection of the Parties' Common Heritage granted by the amended Article XII (c)(ii) is increasingly important, since a number of orbital positions that belonged to the Parties' Common Heritage have been lost in the past few years, including 178E and, most recently, 177E, for which the suppression request was submitted by the Notifying Administration 4 days prior to the Amendment entering into force. Moreover, in other instances, Intelsat has sought to enter into cooperative arrangements with other operators to maintain those Parties' Common Heritage frequency assignments associated with orbital locations, as it was the case with the 157E orbital location; however, such arrangements are of a time-limited nature and may not always be available.

4. Now that the amended Article XII (c)(ii) is in force, ITSO is in a much stronger position to prevent any additional losses of orbital locations belonging to the Parties' Common Heritage. In order to achieve this, however, the Parties need to establish an effective process to ensure the proper implementation of the Amendment.

5. The Report of the Director General on the Amended Article XII (c)(ii) of the ITSO Agreement was previously reviewed by the ITSO Advisory Committee. The ITSO Advisory Committee provided a number of specific comments on the Report which the Director General has taken into consideration in the preparation of AP-38-14. On the basis that such comments would be given due regard, the ITSO Advisory Committee advised the Director General to present this Report to the Assembly for consideration and approval.

6. The Director General recommends that the Assembly of Parties approve a template public services agreement to be used in connection with implementation of the amended Article XII (c)(ii), as contained in Attachment No. 1 to AP-38-14; and that the Assembly authorizes the Director General to enter into such public services agreements, when and if needed, in those instances in which Intelsat has waived any of the Common Heritage frequency assignments. The Director General further recommends that the Assembly of Parties authorize the Director General to convene an Extraordinary Assembly of Parties whenever any issues arise that would require the prior approval of the Assembly of Parties in connection with the implementation of Article XII(c)(ii) of the ITSO Agreement.

II. RECOMMENDATION

7. The Director General recommends that the Assembly of Parties **DECIDES** to:
- (i) **NOTE** the Report of the Director General on the Amended Article XII (c)(ii) of the ITSO Agreement, as contained in Document AP-38-14;
 - (ii) **APPROVE** a template public services agreement to be used in connection with implementation of the amended Article XII (c)(ii), as contained in Attachment No. 1 to AP-38-14;
 - (iii) **AUTHORIZE** the Director General to enter into such public services agreements, when and if needed, in those instances in which Intelsat has waived any of the Common Heritage frequency assignments;
 - (iv) **AUTHORIZE** the Director General to convene an Extraordinary Assembly of Parties whenever any issues arise that would require the prior approval of the Assembly of Parties in connection with the implementation of Article XII(c)(ii) of the ITSO Agreement.

III. BACKGROUND

8. The Thirty-First meeting (Extraordinary) of the Assembly of Parties (AP-31), held during the period 20-23 March 2007 in Paris, France, approved an Amendment to Article XII, Paragraph (c)(ii) of the ITSO Agreement in order to protect the Parties' Common Heritage orbital locations and associated frequency assignments. The Amendment was approved by a majority of more than two-thirds of the Parties represented at AP-31 in accordance with the provisions of Article IX, Paragraph (f) which requires that *"decisions on matters of substance shall be taken by an affirmative vote cast by at least two-thirds of the Parties whose representatives are present and voting"*.

9. The purpose of this Amendment is to strengthen the ability of the ITSO Parties to preserve and protect the orbital location resources and associated frequency assignments acquired by the Organization prior to restructuring, regardless as to whether the Parties' Common Heritage frequency assignments associated with orbital locations are being directly used by Intelsat or, in

the absence of that, are being used by a satellite operator other than Intelsat in a manner consistent with the Core Principles. The continued availability of these strategic resources is a fundamental linchpin of the broader guarantee of the long-term fulfillment of the Core Principles of global coverage, global connectivity, non-discriminatory access and protection of lifeline connectivities and users. It is important to note that, the Parties' Common Heritage resources are unique in their ability to enable global coverage as well as direct connectivity of countries around the world.

10. Under the terms of this Amendment, the Parties' interests in the Common Heritage frequency assignments associated with orbital locations are protected in the event that the current licensed user of these frequency assignments, Intelsat, S.A.,

- (i) waives such frequency assignments,
- (ii) uses such assignments in ways other than those set forth in the ITSO Agreement,
- or
- (iii) declares bankruptcy.

11. In this context, the circumstances in which ITSO may be required to take action, include not only Intelsat's voluntary relinquishment of frequency assignments or the forced disgorgement of them in a bankruptcy proceeding, but also circumstances in which Intelsat, for business reasons, desires to sell or otherwise transfer space segment and the associated frequency assignments, subject to any required regulatory approvals from the Notifying Administration, to a third party. Indeed, in this latter instance, ITSO's ability to quickly and easily enter into a public services agreement with that third party could serve to facilitate the commercial transaction that Intelsat desires to undertake. In all of these circumstances, the Amendment enables other satellite operator(s) having first signed a public services agreement with ITSO to use these Common Heritage frequency assignments associated with orbital locations thereby enabling the continued fulfillment of the Core Principles.

12. In accordance with Article XV, Paragraph (d) of the Agreement, this Amendment required for its entry into force, the approval/acceptance/ratification by at least two-thirds of the States which were Parties as of the date upon which the Amendment was approved by the Assembly of Parties, and notification of such approval/acceptance/ratification to the U.S. Department of State as the Depositary of the Agreement.

13. On 18 October 2016, the U.S. State Department, which is the depository of the ITSO Agreement, officially confirmed that they had received the notifications of approval by Nepal and Sri Lanka of the Amendment of Article XII (c)(ii) of the ITSO Agreement. As such, the required number of letters of approval/acceptance/ratification of the Amendment has been reached.

14. On 20 October 2016, the Director General informed all Parties that on 18 October 2016 the US State Department officially confirmed that the Amendment would enter into force on 16 January 2017 (Ref. 10-20-17 DG-67).

15. On 16 January 2017, the Amendment entered into force, in accordance with Article XV(e) of the Agreement, which states that:

*“The Depositary shall notify all the Parties as soon as it has received the acceptances, approvals or ratifications required by paragraph (d) of this Article for the entry into force of an amendment. Ninety days after the date of issue of this notification, **the amendment shall enter into force for all Parties, including those that have not yet accepted, approved, or ratified it and have not withdrawn from ITSO.**” [emphasis added].*

16. As of 16 January 2017, the new text of Article XII (c)(ii) is as follows:

“In the event that the Company, or any future entity using the Common Heritage frequency assignments, waives such frequency assignment(s), uses such assignment(s) in ways other than those set forth in this Agreement, or declares bankruptcy, the Notifying Administrations shall authorize the use of such frequency assignment(s) only by entities that have signed a public services agreement, which will enable ITSO to ensure that the selected entities fulfill the Core Principles.”

17. On 17 January 2017, the Director General sent a letter to all Parties (Ref. 01-17-17 DG-04) communicating that the Amendment entered into force, with the amended ITSO Agreement as an attachment.

IV. IMPLICATIONS OF THE AMENDED ARTICLE XII (C)(II)

18. The amended Article XII (c)(ii) offers increased protection to the Parties' Common Heritage by allowing the ITSO Parties to ensure the continued availability of the space segment required for international public telecommunications services of high quality and reliability necessary to support the Core Principles as set forth in both the Preamble and in Article III of the amended ITSO Agreement. By acknowledging that the Parties' ability to ensure compliance with the Core Principles is directly linked to and entirely dependent upon their ability to preserve and protect the Parties' Common Heritage, the Amendment strengthens and solidifies the critical interrelationship between the Parties' supervisory role in ensuring that Intelsat honors the Core Principles and their obligation to preserve and protect the Parties' Common Heritage, as set forth in Article XII.

19. Regarding the interface between ITSO and the Notifying Administrations, while the Amendment does not explicitly address this issue, clearly a high degree of cooperation will be required between ITSO and an affected Notifying Administration to successfully implement the procedure envisioned by the Amendment in the event that a non-Intelsat entity utilizes the Parties' Common Heritage, since such utilization would be dependent upon the Notifying Administration licensing such usage under its national regulatory regime.

20. In the case of the United States, the foundation for such cooperation is already present in light of the grant by the U.S. Federal Communications Commission (FCC) of ITSO's Petition submitted under Section 316 of the Communications Act, pursuant to which the United States has already committed, in terms of the licensing of Intelsat satellites' use of the Parties' Common Heritage frequency assignments, that no entity shall be considered a successor-in-interest to

Intelsat under the ITSO Agreement for licensing purposes unless it has undertaken to perform the obligations of the Public Services Agreement approved by the Twenty-Fifth Assembly of Parties, as amended. This commitment therefore lays the groundwork for such licensing to occur. Nonetheless, to achieve this result, ITSO will need to fully cooperate with the Notifying Administration to help ensure that the licensing requirements of that Administration are properly and fully adhered to, and that any non-Intelsat operator fully complies with the legitimate licensing criteria established as part of the Notifying Administration's licensing scheme.

21. The considerations discussed above have been included into the articulation of ITSO's Strategic Plan by incorporating additional elements necessary to the conservation and protection of the Parties' Common Heritage. In this regard, one of the most critical elements to be addressed in the Strategic Plan will be that of timing. In order for ITSO to be able to successfully preserve the Parties' Common Heritage frequency assignments associated with orbital locations, not only in extreme instances such as an Intelsat bankruptcy, but in other instances where Intelsat desires to sell or otherwise transfer space segment and the associated frequency assignments to third parties, it will need the ability to enter into PSAs with such third parties often on a fairly rapid basis.

V. IMPLEMENTATION OF THE AMENDED ARTICLE XII (C)(II)

22. The amended Article XII (c)(ii) complements and strengthens the February 2008 FCC Decision that modifies Intelsat's licenses with respect to the use of the Parties' Common Heritage frequency assignments. It allows the Parties' Common Heritage to continue to be utilized in support of the Core Principles, if Intelsat waives such frequency assignment(s), uses such assignment(s) in ways other than those set forth in the ITSO Agreement, or declares bankruptcy.

23. The protection of the Parties' Common Heritage granted by the amended Article XII (c)(ii) is particularly timely since frequency assignments associated with orbital locations that belonged to the Parties' Common Heritage had been lost in the last few years.¹ It is worth noting that, on 11 June 2015, the Director General informed all Parties about the unexpected loss of frequency assignments associated with orbital location 178E (Ref. 06-11-15/DG-39). At that time, the Director General also wrote to the U.S. State Department and to Intelsat expressing his concern regarding the Parties' Common Heritage. More recently, while performing its usual oversight of the Parties' Common Heritage, ITSO realized that the U.S. Notifying Administration had requested suppression of the frequency assignments associated with orbital location 177E on 12 January 2017 (which occurred 4 days before the Amendment entered into force). Furthermore, the situation that has arisen in connection with the 157E orbital location, where Intelsat has sought to enter into cooperative arrangements with other operators to maintain those Parties' Common Heritage frequency assignments associated with orbital locations, further highlights the importance of the Amendment at this time, given that such arrangements are of a time-limited nature and may not always be available.

¹ See document AP-37-9

24. Now that the amended Article XII (c)(ii) is in force, any further losses of frequency assignments belonging to the Parties' Common Heritage should be preventable. However, in order to achieve this, the Parties must establish an effective process to ensure the proper implementation of the amendment.

25. It is also clear from the new text of Article XII (c)(ii) that, in the specific circumstances referred under Article XII (c)(ii), *"the Notifying Administrations shall authorize the use of such frequency assignment(s) only by entities that have signed a public services agreement, which will enable ITSO to ensure that the selected entities fulfill the Core Principles"*.

26. The first issue to be addressed is whether the existing Public Services Agreement (PSA) between ITSO and Intelsat could be used with other entities without modification. Although the existing PSA should certainly serve as the general framework for such other agreement, at least some of the provisions in the PSA that make specific references to Intelsat as the counterparty or how the PSA originally came into being would require some degree of modification. Additionally, there are a number of provisions that require some degree of revision due to changed circumstances since the Intelsat PSA was executed in 2001 or the different circumstances arising from an entity other than Intelsat being the counterparty.

27. Taking these considerations into account, the Director General has prepared, for approval by the Assembly of Parties, a template of a public services agreement ("Template PSA"), accompanied by a description of the changes that have been made as compared to the Intelsat PSA.²

28. The next important issue to be considered is the approval process for executing public services agreements. Although the ITSO Agreement does not expressly address the approval process to be applicable to public services agreements that might be entered into with entities other than Intelsat, under Article IX (d)(xvi) of the ITSO Agreement, the Assembly has the power *"to decide upon amendments proposed to the Public Services Agreement"*. Therefore, the Assembly of Parties clearly has a role to play regarding the entry by ITSO into any new public services agreement with an entity other than Intelsat.

29. However, having the Assembly of Parties approve in advance any public services agreement with an entity other than Intelsat before that agreement could be executed could pose some substantial logistical issues for the effective implementation of the Amendment. Among other things, this could require the convening of an extraordinary Assembly of Parties on an extremely tight timeframe, which may prove difficult from a timing perspective as well as very expensive. Moreover, this raises some practical considerations, given that the timeframe available to ITSO for the negotiation of and entry into a public services agreement with an entity other than Intelsat may be very limited and there may not necessarily be sufficient advance warning that such a need has arisen. There are also timing constraints due to the ITU rules applicable to the maintenance of satellite filings, which could further complicate the situation.

² See Attachment No. 1 for the Template PSA, Attachment No. 2 for the Description of Changes Made in the Template PSA and Attachment No. 3 for a Redlined Comparison of the Main Body of the Intelsat PSA and the Template PSA. The text of the Intelsat PSA is attached for reference as Attachment No. 4.

30. In this regard, attention is also drawn to Article X (j) of the ITSO Agreement, which provides that the Director General shall consider all issues arising from the Parties' Common Heritage. This language, in conjunction with Article IX (d)(xvi), certainly provides a basis for the Assembly of Parties to approve a Template PSA that could serve as the basis of any new public services agreement, while formally delegating authority to the Director General to enter into such public services agreements, at least in certain circumstances, as further discussed below. When authorizing the Director General to enter into public service agreements, the Parties could include some protective measures, such as the imposition of a notice requirement under which the Director General would need to advise the Parties of the pendency of any situation potentially requiring the execution of a public services agreement; of any potential material deviations from the Template PSA that may be required given any unique circumstances presented; and of the execution of such a public services agreement within a specified timeframe after its occurrence.

31. In determining those circumstances in which such a delegation would be appropriate, attention should first be directed to the text of Article XII (c) (ii), which specifies three different instances in which ITSO can enter into a public services agreement with an entity other than Intelsat. Specifically, this can occur in the event that Intelsat, or any future entity using the Common Heritage frequency assignments:

- (i) waives such Common Heritage frequency assignment(s);
- (ii) uses such Common Heritage frequency assignments in ways other than those set forth in the ITSO Agreement; or
- (iii) declares bankruptcy.

32. The first instance under Article XII (c) (ii) is if Intelsat waives such Common Heritage frequency assignment(s). Intelsat's waiver of a Common Heritage frequency assignment can occur in different ways, including where Intelsat has no plans to use the Common Heritage frequency assignment and associated orbital location in question; where Intelsat may desire to transfer the Common Heritage frequency assignment and associated orbital location to another entity; or where Intelsat may want to sell some of its space segment using the Parties' Common Heritage frequency assignment and associated orbital location in question. This is the most straight-forward instance since the determination that Intelsat has waived a Common Heritage frequency assignment does not raise any ancillary concerns. Therefore, in this instance, the Parties should authorize the Director General to enter into a public services agreement with an entity other than Intelsat.

33. The other two instances enumerated under Article XII (c) (ii) involve more complex circumstances, and for that reason an Assembly of Parties (ordinary or extraordinary depending on timing) would need to be called to decide on a number of issues, including the execution of any public service agreements that would be required. The determination that Intelsat is using frequency assignments in ways other than those set forth in the ITSO Agreement involves a determination that would require the involvement of the Assembly of Parties since it would carry with it implications for Intelsat as well as for the customers that are served by the Common Heritage frequency assignments and associated orbital location(s) in question.

34. Similarly, if Intelsat declares bankruptcy, the immediate attention of the Assembly of Parties would be required to address all issues related to the bankruptcy as it affects the interests of the ITSO Parties, including the continued financing of ITSO as well as the execution of any public service agreements that may be required as a result of the bankruptcy proceeding. As such, there is not a need for this Assembly of Parties to authorize the Director General to enter into a public services agreement with an entity or entities other than Intelsat arising as a result of Intelsat's use of any Common Heritage frequency assignments and associated orbital location(s) in ways other than those set forth in the ITSO Agreement or as a result of Intelsat's bankruptcy.

35. Should those circumstances arise, the Director General would need to have the ability to convene an extraordinary Assembly of Parties on a timely basis. The ability of the Director General to convene an Extraordinary Meeting of the Assembly of Parties is currently governed by Article IX(e) of the ITSO Agreement and Rule II.C of the Assembly of Parties Rules of Procedure. In light of those provisions, the Director General believes it would be appropriate for the Assembly of Parties to formally decide that the Director General has the authorization at any future time to convene an Extraordinary Meeting of the Assembly of Parties to address any issues related to the implementation of Article XII(c)(ii) of the ITSO Agreement.

36. The final issue that needs to be addressed with respect to the terms of the Template PSA concerns the financial arrangements to be entered into between ITSO and any entity other than Intelsat that becomes a party to a public services agreement. This is specifically addressed in Article 13 of the Template PSA. Since the number of frequency assignments and orbital locations that would be covered by any such PSA is unknown at this time, it is not possible to specify the expenses that ITSO is likely to incur as a result of the additional oversight responsibilities that it will assume in connection with the execution of a public services agreement with an entity other than Intelsat.

37. However, as a matter of general principle, and consistent with the financial arrangements set forth in the Intelsat PSA, the purpose of such compensation is solely to cover additional expenses that ITSO will incur in connection with the performance of its oversight obligations as set forth in the public services agreement, including any additional staffing requirements; travel expenses; monitoring activities; or other expenses reasonably related to assuring that lifeline connectivity users are able to be served by the new satellite capacity. In addition, should additional administrative expenses be incurred, including the need to convene an Extraordinary Assembly of Parties, those expenses should be recoverable as well.

38. Following the advice of IAC-21, a clause on conflict resolution providing for arbitration has been included in the Template PSA, which preserves the ability, like in the existing PSA between ITSO and Intelsat, of resolution of any disputes by means of arbitration. There is a clear need to establish a contingency fund comparable to the one funded by Intelsat to deal with such purposes. Given that the amount of the contingency fund established with respect to Intelsat is currently set at U.S.\$700,000, that should be the amount required of any entity other than Intelsat that enters into a public services agreement with ITSO.

39. With respect to the selection of a satellite operator other than Intelsat with which ITSO may in the future enter into a public services agreement, the Director General intends to base any such selection solely upon a determination of which operator would be best positioned, through the use of the Common Heritage frequency assignments associated with orbital locations that would be entrusted to it, to fulfill the Public Service Obligations, without any prejudgments having been made regarding the nature of the operator to be selected.

VI. CONCLUSION

40. Taking into consideration the importance of the Parties' Common Heritage and the urgency of protecting these frequency assignments associated with orbital locations that were made available by the Parties so that the Core Principles could be fulfilled, it is necessary to consider the next steps to be taken *"in the event that the Company, or any future entity using the Common Heritage frequency assignments, waives such frequency assignment(s), uses such assignment(s) in ways other than those set forth in this Agreement, or declares bankruptcy"*.

41. The Director General recommends that the Assembly of Parties approve the Template PSA in Annex 1 hereto to be used in connection with the implementation of amended Article XII (c)(ii) as contained in Attachment No. 1 to AP-38-14; and that the Assembly authorizes the Director General to enter into such public services agreements, when and if needed, in instances involving Intelsat's waiver of any Common Heritage frequency assignments. The Director General further recommends that the Assembly of Parties authorize the Director General to convene an Extraordinary Assembly of Parties whenever any issues arise that would require the prior approval of the Assembly of Parties in connection with the implementation of Article XII(c)(ii) of the ITSO Agreement.

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TEMPLATE PUBLIC SERVICES AGREEMENT (PSA)

PUBLIC SERVICES AGREEMENT (PSA)

THIS PUBLIC SERVICES AGREEMENT (the “PSA”) is hereby entered into as of _____, 201__ by and between THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE ORGANIZATION (“ITSO”), established by the Agreement Relating to the International Telecommunications Satellite Organization on August 20, 1971, as amended, and the following Entity (ies), hereinafter (collectively) referred to as “_____”.

WITNESSETH:

WHEREAS, the 24th Assembly of Parties decided that ITSO should be restructured as a private entity, with a supervisory intergovernmental organization to protect lifeline connectivities and users;

WHEREAS, Article XII(c)(ii) of the ITSO Agreement has been subsequently amended with regard to specification of the circumstances in which ITSO may enter into a Public Service Agreement with entities other than Intelsat, in order to assure the continued utilization of the frequency assignments associated with orbital locations that comprise the ITSO Common Heritage, as defined in the ITSO Agreement (hereinafter “CH Orbital Locations and Frequency Assignments”);

WHEREAS, the commitments made by _____ in this PSA are essential to ITSO’s continued ability to assure satisfaction of the Core Principles established in the ITSO Agreement, which ability was a prerequisite to the 24th Assembly of Parties’ decision to restructure ITSO.

WHEREAS, the United States, having been designated as a Notifying Administration under Article XII of the ITSO Agreement, has imposed pursuant to Section 316 of the U.S. Communications Act, with regard to each of the licenses it has issued to Intelsat with respect to the CH frequency assignments associated with orbital locations, the condition that the U.S. Federal Communications Commission may only license such CH frequency assignments associated with orbital locations to entities that have entered into a Public Services Agreement with ITSO;

WHEREAS, ITSO and _____ have agreed to enter into this PSA, concerning _____’s utilization of ITSO’s CH frequency assignments associated with orbital locations set forth in Annex B, subject to _____’s provision, on a non-discriminatory commercial basis, of public international telecommunications services throughout the geographic coverage areas visible from satellites utilizing those CH frequency assignments associated with orbital locations, including by maintaining global connectivity and coverage to the maximum extent possible on such satellites, such obligations hereinafter collectively referred to as the “Public Service Obligations”;

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WHEREAS, in performing such Public Service Obligations, _____ shall be subject to applicable national law; and

WHEREAS, ITSO and _____ acknowledge the importance of maintaining the Public Service Obligations and that the agreement of _____ in assuming the Public Service Obligations is in furtherance of that acknowledgment.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings contained herein, and subject to and on the terms and conditions herein set forth, the parties hereto agree as follows:

ARTICLE 1
DEFINITIONS

1.01. Unless otherwise specifically provided, defined terms shall have the respective meanings assigned to them in Annex A.

1.02. The words “hereof”, “herein”, and “hereunder” and words of similar import, when used in this PSA, shall refer to this PSA as a whole and not to any particular provision of this PSA.

ARTICLE 2
HONORING THE PUBLIC SERVICE OBLIGATIONS

2.01. _____ shall provide international public telecommunications services on a commercial basis in a manner consistent with the following Public Service Obligations, which shall be deemed to have been met if _____:

- (i) maintains global connectivity and coverage by providing, to the maximum extent possible: (a) the capability for any country or territory, through the use of satellites utilizing the CH frequency assignments associated with orbital locations set forth in Annex B, to connect with any other country or territory; and (b) continuity of service to all customers that had received service on satellites previously deployed at those locations; and
- (ii) provides non-discriminatory access through the use of the CH frequency assignments associated with orbital locations set forth in Annex B.

Subject only to Article 7 herein, the provision of international public telecommunications services on a commercial basis, in a manner consistent with the Public Service Obligations, is not met if any country or territory within the geographic coverage area of the CH frequency assignments associated with orbital locations set forth in Annex B is denied full and complete access to all services provided by _____ on any ground other than a commercial basis.

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2.02. For purposes of this PSA, the following terms shall have the meanings ascribed to them below:

- (i) “CH frequency assignments associated with orbital locations” shall mean those orbital location(s) and frequency assignments set forth in Annex B.
- (ii) “On a commercial basis” shall mean in accordance with usual and customary commercial practice in the telecommunications industry.
- (iii) “Global connectivity” shall mean the interconnection capabilities available to ____’s customers through the global coverage _____ provides in order to make communication possible within and between the five ITU regions defined by the Plenipotentiary Conference of the International Telecommunication Union, held in Montreux in 1965.
- (iv) “Global coverage” shall mean the maximum geographic coverage of the earth towards the northernmost and southernmost parallels visible from satellites deployed in geostationary orbital locations.
- (v) “Non-discriminatory access” shall mean fair and equal opportunity to access all satellite services on those satellites set forth in Annex B.

2.03. In performing its Public Service Obligations, _____ shall be subject to applicable national law. In the event _____ reasonably believes the application of national law, or proposed changes to national law, will prevent _____ from complying with the Public Service Obligations, _____ shall, on a commercial basis, use its best efforts to mitigate the adverse consequences of such law to the extent permitted under law.

ARTICLE 3 SUPERVISORY ROLE OF ITSO

3.01. ITSO is entitled to review and assess the performance by _____ of the Public Service Obligations.

3.02. In its supervisory role, ITSO shall:

- (i) ensure that _____ honors the Public Service Obligations defined in Article 2; for such purpose, ITSO receives reports, and if necessary, makes recommendations or takes any other appropriate action in connection with _____’s performance of the Public Service Obligations;

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- (ii) be provided with proper notification and consultation on ITU satellite system coordinations that are undertaken regarding _____'s utilization of the CH frequency assignments associated with orbital locations set forth in Annex B, in order to assure that global connectivity and coverage are maintained as specified in 2.01(i) above; and
- (iii) assist _____'s customers using CH frequency assignments associated with orbital locations set forth in Annex B with disputes as described in 4.01. and 4.02 below.

3.03. For the purpose of enabling ITSO to review and take appropriate steps in connection with _____'s compliance with its Public Service Obligations, _____ shall provide ITSO with the following:

- (i) annually, or more frequently as necessary, reports containing sufficient information to demonstrate that _____ is meeting its global coverage and connectivity commitment, and is providing nondiscriminatory access to the satellite(s) utilizing the CH frequency assignments associated with orbital locations set forth in Annex B;
- (ii) copies of publicly available information contained in documents submitted to regulatory authorities and public financial statements immediately following their release;
- (iii) detailed information regarding the upcoming three years of its intended utilization of the CH frequency assignments associated with orbital locations set forth in Annex B;
- (iv) advice on any events or decisions, which could, in the judgment of _____, materially impair its ability to meet the Public Service Obligations, which advice will be provided in a sufficiently timely manner to enable ITSO to take appropriate action;
- (v) in the event _____ is notified of a complaint lodged with ITSO on a failure of _____ to meet its Public Service Obligations, information that enables ITSO to carry out its dispute resolution responsibilities, which information will be provided to the Director General, provided, however, such information (a) only relates to the facts of the particular complaint under consideration, and (b) is provided only to the extent provision of such information is not prohibited under any law or regulation applicable to _____; and
- (vi) in the event _____ is unable to comply, or believes there may be a significant likelihood of its inability to comply, with the Public Service Obligations due to any Party's regulatory constraints, this shall be reported to ITSO as soon as possible for ITSO to take appropriate action.

3.04. Notwithstanding anything to the contrary contained herein, should any dispute of a noncommercial nature arise between _____ and a customer, pending the final resolution of said dispute, _____ shall use its best efforts to continue to provide services to said customer.

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ARTICLE 4 ROLE OF ITSO IN RESOLUTION OF CUSTOMER DISPUTES

4.01. At the request of a customer of _____ being provided capacity on any satellite utilizing the CH frequency assignments associated with orbital locations set forth in Annex B, ITSO may assist in the resolution of disputes related to any use of such capacity by advising the customer as to possible methods of resolving such dispute.

4.02. ITSO may also assist by conciliating any such disputes between _____ and a customer. _____ shall cooperate with ITSO in the performance of ITSO's role by ensuring that its officers and employees are available to meet at such times and places as are mutually convenient to them and the representatives of ITSO and the customer.

ARTICLE 5 CONFIDENTIALITY

Each party to this PSA shall keep strictly confidential, and will cause its officers, employees, representatives of parties, and any of its advisors, consultants, contractors, counsel, accountants or other authorized representatives ("Representatives") to keep strictly confidential, all information and documents obtained from the other party or such other party's officers, employees or Representatives pursuant to this PSA. Each party to this PSA and its respective Representatives need not keep strictly confidential any such information or documents that (i) were already known to it, (ii) becomes available to it from other sources not known by it to be bound by a confidentiality obligation, (iii) are independently acquired by it as a result of work carried out by any employee or Representative of it to whom no disclosure of such information has been made, (iv) are disclosed with the prior written approval of the other party to this PSA, or (v) are or become readily ascertainable from published information or trade sources.

ARTICLE 6 GOVERNING LAW AND DISPUTE RESOLUTION

6.01. This PSA shall be governed by, and construed in accordance with, the laws of the District of Columbia.

6.02. The parties to this PSA shall attempt in good faith to resolve any dispute between them relating to or arising out of this PSA by negotiation. If ITSO determines that _____ has breached any of its obligations under this PSA and is unable to resolve the matter to its satisfaction with _____ through informal means, ITSO may notify _____, in writing, that it wishes to meet with management representatives or the board of directors of _____ to discuss the alleged default. _____ shall agree to such meetings, at the mutual convenience of the parties, within a reasonable time from the date of the request, not to exceed 30 days for a meeting

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with management representatives, and by the next regularly scheduled meeting of the board of directors for a meeting with the directors.

6.03. In the event that any dispute, controversy or claim between the parties to this PSA arising out of or relating to this PSA that is not resolved through negotiation as provided for in 6.02, ITSO shall have the right, subject to Section 6.04 below, to terminate this PSA by providing _____ with written notification of ITSO's intention to terminate the PSA. Following receipt of the written notification, _____ shall cease its utilization of the CH frequency assignments associated with orbital locations set forth in Annex B within sixty (60) calendar days. At the same time that notification of termination is provided to _____, ITSO shall also provide written notification of its intent to terminate this PSA to the Notifying Administration for those CH frequency assignments associated with orbital locations set forth in Annex B to this PSA.

6.04. If _____ desires to dispute a termination notification provided to it by ITSO pursuant to Section 6.03 above, _____ shall have the right to seek settlement of the dispute by arbitration, by filing a notice of arbitration within thirty (30) calendar days of its receipt of ITSO's notification of intention to terminate the PSA. If such notice is submitted, it shall have the effect of delaying the effectiveness of ITSO's termination notification until the conclusion of the arbitration proceeding. The place of arbitration shall, unless otherwise agree by the parties, be the city in which ITSO's headquarters is located. The arbitration shall be conducted in accordance with the rules of the court of arbitration of the International Chamber of Commerce (ICC). The arbitration shall be the sole and exclusive forum for resolution of such dispute, controversy or claim. The award rendered shall either be a determination that ITSO has properly terminated the PSA and therefore the termination notice shall be effective as of the date of the arbitration decision, or a determination that ITSO did not properly terminate the PSA and therefore the termination notification is rescinded. This decision shall be final and binding on the parties without need for further action on the part of the prevailing party.

6.05. The parties agree that there shall ordinarily be only one arbitrator, to be selected by mutual agreement within 30 days of delivery of notice pursuant to 6.03. Failing such agreement, the arbitrator shall be selected by the ICC. Prior to the commencement of an arbitration, the parties may agree that there should be three arbitrators. In the event the parties agree that there will be three arbitrators, one shall be appointed by the party asserting a claim against the other party, one shall be appointed by the party against whom a claim has been asserted, and the third shall be selected by mutual agreement within thirty (30) days of the selection of the second arbitrator. If the parties fail to agree on the third arbitrator within such 30-day period, then the third arbitrator shall be selected by the ICC. In the event the party against whom a claim has been asserted fails to appoint the second arbitrator within 20 days after the first arbitrator is appointed by the party asserting a claim, then the ICC shall select the second and third arbitrators.

6.06. The award issued by the arbitrator(s) shall be in writing, and shall state the reasons upon which such award is based.

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6.07 ITSO shall be reimbursed for all reasonable costs it has incurred in connection with its defense of the arbitration proceeding or it has incurred in connection with its termination of the PSA from funds that have been deposited in the contingency fund account established pursuant to Article 13 of this PSA.

ARTICLE 7
FORCE MAJEURE

No delay or failure by either party in performing any of its obligations referred to in this PSA shall constitute a breach of this PSA nor give rise to any claim or action against it to the extent that such delay or failure is caused by a force majeure. If either party is unable to carry out any of such obligations by reason of a force majeure, it shall promptly advise the other party thereof in writing.

ARTICLE 8
NOTICES

All notices or other communications hereunder shall be deemed to have been duly given and made if served by personal delivery upon the party for whom it is intended, or if delivered to the address set forth below or such other address as may be designated in writing hereafter, by registered or certified mail, return receipt requested, or by a national or international courier service.

To ITSO:
4400 Jenifer Street, NW
Suite# 332
Washington, D.C. 20015
Telephone: 202-243-5096
Attention: Director General

To _____:

Telephone:
Attention:

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ARTICLE 9
AMENDMENT

Any provision of this PSA may be amended or waived if, and only if, such amendment or waiver is in writing and signed, in the case of an amendment, by the parties hereto, or in the case of a waiver, by the party against whom the waiver is to be effective.

ARTICLE 10
ASSIGNMENT

No party to this PSA may assign any of its rights or obligations under this PSA without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld. Any attempted assignment in contravention hereof shall be null and void.

ARTICLE 11
ENTIRE AGREEMENT

This PSA contains the entire agreement among the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral or written, between the parties with respect to such matter.

ARTICLE 12
SUCCESSORS AND ASSIGNS

This PSA shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and the permitted assigns of _____. Nothing in this PSA, express or implied, is intended to confer upon any Person other than the parties hereto, their successors or _____'s permitted assigns, any rights or remedies under or by reason of this PSA.

ARTICLE 13
FUNDING

13.01 _____ shall annually fund ITSO in an amount to be negotiated, in good faith, by the Director General of ITSO and the Chief Executive Officer of _____ based upon considerations of fairness and the recovery of costs incurred by ITSO in the performance of its supervisory responsibilities performed pursuant to the terms of this PSA.

13.02 _____ shall also establish and fund a contingency fund in the amount of U.S.\$700,000 to be used for purposes set forth in Article 6.07 of this PSA.

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ARTICLE 14
DURATION

This PSA shall be in force from the date hereof until the date that _____ ceases to utilize the CH frequency assignments associated with orbital locations set forth in Annex B or the date that is determined by ITSO for the termination of the Agreement Relating to the International Telecommunications Satellite Organization, whichever occurs first.

IN WITNESS WHEREOF, the parties have executed or caused to be executed this PSA as of the date first written above.

The International
Telecommunications Satellite
Organization
"ITSO"

By _____
Name:
Title:

By _____
Name:
Title:

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Annex A

Definitions

Assembly of Parties shall mean the Assembly of Parties of ITSO, established pursuant to the Agreement relating to the International Telecommunications Satellite Organization signed August 20, 1971, as amended.

Director General shall mean the Director General of ITSO.

Force majeure shall mean any act, event, condition or other cause of a compelling nature, which is not reasonably within the control of the performing party.

Party [with capital “p”] shall mean a state party to the Agreement Relating to the International Telecommunications Satellite Organization signed August 20, 1971, as amended.

party [with lower case “p”] shall mean each party to this PSA.

Person shall mean an individual, a corporation, a partnership, an association, a trust or other entity or organization or a government or any agency or political subdivision thereof.

Public Service Obligations shall mean the obligations described in Article 2.

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Annex B

CH frequency assignments associated with orbital locations subject to this Public Services Agreement are:

[tbd]

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DESCRIPTION OF CHANGES MADE IN THE TEMPLATE PSA

**Summary of Changes Made in the Template PSA from the PSA
Between ITSO and Intelsat**

Throughout the Template PSA, all references to Intelsat or Intelsat companies as the counterparty (ies) to the Template PSA have been deleted and reference instead would be made to the identity of the party signing the Template PSA. As such, these changes, wherever they occur, are not specifically indicated in the description of changes provided below.

The Whereas Clauses

The Intelsat PSA contained four Whereas Clauses, while the Template PSA contains seven Whereas Clauses. The Whereas Clauses to the Intelsat PSA, which was signed in 2001, make specific reference to many of the circumstances relating to the implementation of the Intelsat restructuring that occurred at that time, which are not necessarily relevant to the circumstances surrounding the execution of a PSA by an entity other than Intelsat in 2018 or later. Additionally, there are a number of developments that have taken place since 2001 which are directly relevant to a PSA that would be executed at this time by an entity other than Intelsat. As such, the Whereas Clauses contained in the Template PSA have been substantially revised and redrafted as contrasted with the Whereas Clauses that were contained in the Intelsat PSA

Article 1 (Definitions)

There are no changes to Article 1 as it appeared in the Intelsat PSA.

Changes to Article 2 (Honoring the Public Service Obligations)

Section 2.01 of the Template PSA has been modified to align the concepts of global connectivity and coverage to the specific Common Heritage frequency assignments and orbital locations covered by the Template PSA;

- deletes reference to obligations under the LCO Contracts as not relevant to a counterparty other than Intelsat;
- inserts language “to maximum extent possible” to take account of circumstances arising in the case of a Template PSA covering one or more satellites that do not completely cover the globe; and
- incorporates as an objective the maintenance, to the maximum extent possible, of continuity of service to customers that had received services on satellites previously deployed at those locations.

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The “Subject to” paragraph of the Template PSA modifies the commitment contained therein to refer to the geographic coverage area associated with orbital locations to which the Template PSA applies instead of to the Intelsat system as a whole.

Section 2.02 of the Template PSA inserts a specific definition of the term “CH frequency assignments associated with orbital locations” but otherwise preserves the other definition set forth in that Section.

There are no changes to **Section 2.03** as it appeared in the Intelsat PSA.

Article 3 (Supervisory Role of ITSO)

There are no changes to **Sections 3.01** or **3.02(i)** of the Template PSA as those provisions appeared in the Intelsat PSA.

Section 3.02(ii) of the Template PSA deletes the requirement for reviewing certain LCO petitions and substitutes in its place a requirement that ITSO be provided with proper notification and consultation on ITU satellite system coordinations in order to ensure that global connectivity and coverage are maintained; note this language specifically tracks the language in Article XII(e)(iv) of the ITSO Agreement.

Section 3.02(iii) of the Template PSA incorporates the obligation about assisting customers with disputes but making it applicable to the customers of the PSA counterparty using the CH frequency assignments associated with orbital locations, instead of referring to LCO customers.

Section 3.03 of the Template PSA has not been changed, except in the following two respects.

- A new subsection (3.03(iii)) obligating the Template PSA counterparty to provide information regarding the upcoming three years of its intended utilization of the CH frequency assignments associated with the orbital locations specified in Annex B to the Template PSA has been inserted, which is an alternative to information that ITSO has access to from Intelsat about its future deployment plans.
- In what is now Section 3.03(iv), a specific reference to the possibility of convening an extraordinary meeting of the Assembly of Parties if ITSO is notified of a material impairment of the PSA counterparty’s ability to meet its Public Service Obligations has been deleted as unnecessary.

Article 4 (Role of ITSO in Resolution of Customer Disputes)

The Title of Article 4 and the text of Article 4 of the Template PSA have been revised so as not to refer to LCO Disputes, since the Template PSA counterparty is not a party to any contractual

arrangements with LCO customers, but instead refers throughout more generally to disputes with customers.

Article 5 (Confidentiality)

Article 5 of the Template PSA has been revised simply to clarify that its terms apply the parties to the Template PSA and not to the Parties to the ITSO Agreement, so as to avoid any possible misinterpretation of the scope of this Article.

Article 6 (Governing Law and Dispute Resolution)

Sections 6.01 and 6.02 of the Template PSA contain no material changes to the language appearing in the corresponding sections of the Intelsat PSA. **Sections 6.03 through 6.08** have been deleted as originally drafted, and a revised conflict resolution mechanism has been inserted.

New Section 6.03 provides for ITSO's ability to terminate the PSA if the conflict resolution mechanism in Section 6.02 is insufficient to resolve any dispute, while allowing the PSA Template counterparty the ability to oppose termination by requesting that the dispute be submitted to binding arbitration.

New Sections 6.04-6.06 sets for the specific features of the arbitration process, while are in many respects similar to those in the Intelsat PSA, except that the role of the arbitration panel is set solely for the purpose of addressing the question of whether ITSO has properly terminated the PSA and therefore the termination notice shall be effective as of the date of the arbitration decision, or a determination that ITSO did not properly terminate the PSA and therefore the termination notification is rescinded.

New Section 6.07 provides a mechanism (in conjunction with language added to Article 13) by which ITSO shall be reimbursed for all reasonable costs it has incurred in connection with its defense of the arbitration proceeding or it has incurred in connection with its termination of the PSA from funds that have been deposited in the contingency fund account established pursuant to Article 13 of this PSA. The contingency fund approach for this purpose was originally established at AP-25 with respect to Intelsat by formal decision of the Assembly of Parties.

Article 7 (Force Majeure)

There are no changes to this Article.

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Article 8 (Notices)

The only changes are to insert current address information for ITSO and to allow for the correct address information for the PSA Template counterparty.

Article 9 (Amendment)

There are no changes to this Article.

Article 10 (ITSO's Waiver of Immunities)

This Article has been deleted as unnecessary, since other than the dispute resolution mechanism in Article 6, which already provides that both ITSO and the PSA counterparty are bound by the outcome of arbitration, if arbitration was undertaken, there is no possible context in which a waiver of immunities would be appropriate or desirable.

Article 10 (Assignment) (Previously Article 11)

There are no changes to this Article.

Article 11 (Entire Agreement) (Previously Article 12)

There are no changes to this Article.

Article 12 (Successors and Assigns) (Previously Article 13)

There are no changes to this Article.

Article 13 (Funding) (Previously Article 14)

Section 13.01 (previously Article 14.01) deletes references to Intelsat including figures related to funding after the initial twelve year period as non-relevant to a PSA with an entity other than Intelsat and inserts languages indicating that the annual funding of ITSO would be the product of negotiations conducted in good faith between the ITSO Director General and the CEO of the PSA counterparty, based upon considerations of fairness and the recovery of costs incurred by ITSO in the performance of its supervisory responsibilities performed pursuant to the terms of the Template PSA.

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Section 13.02 (previously Article 14.02) deletes as not relevant language addressing the funding of ITSO during its first twelve years of existence following restructuring, but inserts language establishing a contingency fund to be funded by the Template PSA counterparty, which is similar in scope to the contingency fund originally established at AP-25 with respect to Intelsat by formal decision of the Assembly of Parties.

Article 14 (Duration) (Previously Article 15)

Article 14 provides that the PSA shall be in force from the date of its signature until such time as the PSA counterparty ceases to utilize the CH frequency assignments associated with orbital locations to which the Template PSA is subject or the ITSO Agreement has been terminated, whichever occurs first, rather than simply upon the termination of the ITSO Agreement, which was the sole basis for termination under the Intelsat PSA.

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**REDLINED COMPARISON OF THE MAIN BODY OF THE INTELSAT PSA AND
THE TEMPLATE PSA**

PUBLIC SERVICES AGREEMENT (PSA)

THIS PUBLIC SERVICES AGREEMENT (the “PSA”) is hereby entered into as of ~~July 18, 2001~~, 201 by and between THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE- ORGANIZATION (“ITSO”), established by the Agreement Relating to the International Telecommunications Satellite Organization on August 20, 1971, as amended, and the following ~~entities, which are hereinafter collectively referred to as “Intelsat”: [Intelsat, Ltd., a company incorporated under the laws of Bermuda; Intelsat LLC, a limited liability company incorporated under the laws of the State of Delaware, U.S.A.; and Intelsat Service Corporation, a corporation incorporated under the laws of the State of Delaware, U.S.A.]~~ Entity (ies), hereinafter (collectively) referred to as “_____”.

~~WITNESSETH:~~

WITNESSETH:

WHEREAS, the 24th Assembly of Parties decided that ITSO should be restructured as a private entity, with a supervisory intergovernmental organization to protect lifeline connectivities and users;

WHEREAS, Article XII(c)(ii) of the ITSO and Agreement has been subsequently amended with regard to specification of the circumstances in which ITSO may enter into a Public Service Agreement with entities other than Intelsat, pursuant to the decision of the 25th in order to assure the continued utilization of the frequency assignments associated with orbital locations that comprise the ITSO Common Heritage, as defined in the ITSO Agreement (hereinafter “CH Orbital Locations and Frequency Assignments”);

WHEREAS, the commitments made by _____ in this PSA are essential to ITSO’s continued ability to assure satisfaction of the Core Principles established in the ITSO Agreement, which ability was a prerequisite to the 24th Assembly of Parties, shall enter into this PSA to ensure that Parties’ decision to restructure ITSO.

WHEREAS, the United States, having been designated as a Notifying Administration under Article XII of the ITSO Agreement, has imposed pursuant to Section 316 of the U.S. Communications Act, with regard to each of the licenses it has issued to Intelsat provides with respect to the CH frequency assignments associated with orbital locations, the condition that the U.S. Federal Communications Commission may only license such CH

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frequency assignments associated with orbital locations to entities that have entered into a Public Services Agreement with ITSO;

WHEREAS, ITSO and _____ have agreed to enter into this PSA, concerning _____'s utilization of ITSO's CH frequency assignments associated with orbital locations set forth in Annex B, subject to _____'s provision, on a non-discriminatory commercial basis, of public international public telecommunications services, in order to (i) maintain throughout the geographic coverage areas visible from satellites utilizing those CH frequency assignments associated with orbital locations, including by maintaining global connectivity and coverage; (ii) serve its lifeline connectivity customers; and (iii) provide non-discriminatory access to the Intelsat system to the maximum extent possible on such satellites, such obligations hereinafter collectively referred to as the "Public Service Obligations";

WHEREAS, in performing such Public Service Obligations, ~~Intelsat~~_____ shall be subject to applicable national law; and

WHEREAS, ITSO and ~~Intelsat~~_____ acknowledge that the importance of maintaining the Public Service Obligations must be maintained and that the agreement of ~~Intelsat~~_____ in assuming the Public Service Obligations was a prerequisite to the agreement of ITSO in sanctioning the restructuring and the transfer of assets, and that the performance of the Public Service Obligations is the consideration for the transfer in furtherance of that acknowledgment.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings contained herein, and subject to and on the terms and conditions herein set forth, the parties hereto agree as follows:

ARTICLE 1
DEFINITIONS

1.01.— Unless otherwise specifically provided, defined terms shall have the respective meanings assigned to them in Annex A.

1.02.— The words "hereof", "herein", and "hereunder" and words of similar import, when used in this PSA, shall refer to this PSA as a whole and not to any particular provision of this PSA.

ARTICLE 2
HONORING THE PUBLIC SERVICE OBLIGATIONS

2.01.—Intelsat shall provide international public telecommunications services on a commercial basis, in a manner consistent with the following Public Service Obligations, which shall be deemed to have been met if Intelsat:

(i) ~~(i)~~—maintains global connectivity and coverage ~~and serves its lifeline connectivity customers~~ by providing, to the maximum extent possible: (a) the capability for any country or territory, through the use of satellites utilizing the CH frequency assignments associated with orbital locations set forth in Annex B, to connect with any other country or territory through the provision of capacity from at least one satellite in each; and (b) continuity of the three ocean regions: the Atlantic Ocean region (304.5 to 359 deg. E), the Indian Ocean region (60 to 66 deg. E), and the Pacific Ocean region (174 to 180 deg. E) such that these satellites together provide global coverage service to all ITU regions; customers that had received service on satellites previously deployed at those locations; and

~~—(ii)—honors its obligations under the LCO Contracts; and~~

~~(ii)~~ ~~—(iii)—~~provides non-discriminatory access ~~to the Intelsat system, through the use of the CH frequency assignments associated with orbital locations set forth in Annex B.~~

Subject only to Article 7 herein, the provision of international public telecommunications services on a commercial basis, in a manner consistent with the Public Service Obligations, is not met if any country or territory ~~which seeks or permits within the services provided by geographic coverage area of the Intelsat system~~ CH frequency assignments associated with orbital locations set forth in Annex B is denied full and complete access to all services provided by the Intelsat system on any ground other than a commercial basis.

2.02.—For purposes of this PSA, the following terms shall have the meanings ascribed to them below:

(i) ~~(i)~~—“CH frequency assignments associated with orbital locations” shall mean those orbital location(s) and frequency assignments set forth in Annex B.

(ii) “On a commercial basis: means” shall mean in accordance with usual and customary commercial practice in the telecommunications industry.

~~(iii)~~ ~~(ii)~~—“Global connectivity: means” shall mean the interconnection capabilities available to Intelsat users’s customers through the global coverage Intelsat provides in order to make communication possible within and

between the five ITU regions defined by the Plenipotentiary Conference of the International Telecommunication Union, held in Montreux in 1965.

~~(iv)(iii)~~ — “Global coverage: ~~means~~” shall mean the maximum geographic coverage of the earth towards the northernmost and southernmost parallels visible from satellites deployed in geostationary orbital locations.

~~(v)(iv)~~ — “Non-discriminatory access: ~~means~~” shall mean fair and equal opportunity to access ~~the Intelsat system~~ all satellite services on those satellites set forth in Annex B.

2.03.— In performing its Public Service Obligations, Intelsat shall be subject to applicable national law. -In the event Intelsat reasonably believes the application of national law, or proposed changes to national law, will prevent Intelsat from complying with the Public Service Obligations, Intelsat shall, on a commercial basis, use its best efforts to mitigate the adverse consequences of such law to the extent permitted under law.

ARTICLE 3 SUPERVISORY ROLE OF ITSO

3.01.— ITSO is entitled to review and assess the performance by Intelsat of the Public Service Obligations.

3.02.— In its supervisory role, ITSO shall:

(i) ~~e~~Ensures that Intelsat honors the Public Service Obligations defined in Article ~~2H~~;

~~;~~ for such purpose, ITSO receives reports, and if necessary, makes recommendations or takes any other appropriate action in connection with Intelsat's performance of the Public Service Obligations;

~~(ii) — reviews the decisions taken by Intelsat with respect to petitions for eligibility for entering into the LCO Contract and reports to the Parties on the outcome of such reviews; and~~

~~(ii)(iii) — assists LCO Customers~~ be provided with proper notification and consultation on ITU satellite system coordinations that are undertaken regarding 's utilization of the CH frequency assignments associated with orbital locations set forth in Annex B, in order to assure that global connectivity and coverage are maintained as specified in 2.01(i) above; and

(iii) assist _____'s customers using CH frequency assignments associated with orbital locations set forth in Annex B with disputes as described in 4.01. and 4.02. below.

3.03.— For the purpose of enabling ITSO to review and take appropriate steps in connection with Intelsat's _____'s compliance with its Public Service Obligations, Intelsat _____ shall provide ITSO with the following:

(i) annually, or more frequently as necessary, reports containing sufficient information to demonstrate that Intelsat _____ is meeting its global coverage and connectivity and coverage, non-discriminatory commitment, and is providing nondiscriminatory access and LCO Obligations to the satellite(s) utilizing the CH frequency assignments associated with orbital locations set forth in Annex B;

_____ (ii) copies of publicly available information contained in documents submitted to regulatory authorities and public financial statements immediately following their release;

(iii) detailed information regarding the upcoming three years of its intended utilization of the CH frequency assignments associated with orbital locations set forth in Annex B;

(iv) advice on any events or decisions, which could, in the judgment of Intelsat, _____, materially impair its ability to meet the Public Service Obligations, which advice will be provided in a sufficiently timely manner to enable ITSO to take appropriate action including, if necessary, the convening of an extraordinary meeting of the Assembly of Parties;;

(iv) in the event Intelsat _____ is notified of a complaint lodged with ITSO on a failure of Intelsat _____ to meet its Public Service Obligations, information that enables ITSO to carry out its dispute resolution responsibilities, which information will be provided to the Director General-, provided, however, such information (a) only relates to the facts of the particular complaint under consideration, and (b) is provided only to the extent provision of such information is not prohibited under any law or regulation applicable to Intelsat; _____; and

(vi) in the event Intelsat _____ is unable to comply, or believes there may be a significant likelihood of its inability to comply, with the Public Service Obligations due to any Party's regulatory constraints, this shall be reported to ITSO as soon as possible for ITSO to take appropriate action.

3.04.— Notwithstanding anything to the contrary contained herein, should any dispute of a non-commercial nature arise between Intelsat and a customer, pending the final resolution of said dispute, Intelsat shall use its best efforts to continue to provide services to said customer.

ARTICLE 4
ROLE OF ITSO IN LCORESOLUTION OF CUSTOMER DISPUTES

4.01.— At the request of ~~an LCO Customer~~ a customer of being provided capacity on any satellite utilizing the CH frequency assignments associated with orbital locations set forth in Annex B, ITSO may assist in the resolution of disputes related to ~~an LCO Contract~~ any use of such capacity by (i) ~~advising the LCO Customer~~ customer as to possible methods of resolving such dispute; ~~and~~.

(ii) ~~advising an LCO Customer on the desirability of seeking arbitration under the LCO Contract and advising an LCO Customer on preliminary matters preparatory to arbitration, including such matters as the selection of experts and arbitrators, provided, however, that ITSO shall in no event file or in any way make arbitration claims on behalf of any LCO Customer or act as an arbitrator in any dispute.~~

4.02. ITSO may also assist by conciliating disputes between Intelsat and ~~an LCO C~~customer. Intelsat shall cooperate with ITSO in the performance of ITSO's role by ensuring that its officers and employees are available to meet at such times and places as are mutually convenient to them and the representatives of ITSO and the ~~LCO C~~customer.

ARTICLE 5
CONFIDENTIALITY

— Each party to this PSA shall keep strictly confidential, and will cause its officers, employees, ~~—~~representatives of Partiesparties, and any of its advisors, consultants, contractors, counsel, accountants or other authorized representatives ("Representatives") to keep strictly confidential, all information and documents obtained from the other party or such other party's officers, employees or ~~-~~Representatives pursuant to this PSA. ~~-~~Each party to this PSA and its respective Representatives need not keep strictly confidential any such information or documents that (i) were already known to it, (ii) becomes available to it from other sources not known by it to be bound by a confidentiality obligation, (iii) are independently acquired by it as a result of work carried out by any employee or Representative of it to whom no disclosure of such information has been made, (iv) are

disclosed with the prior written approval of the other party to this PSA, or (v) are or become readily ascertainable from published information or trade sources.

ARTICLE 6

GOVERNING LAW AND DISPUTE RESOLUTION

6.01.— This PSA shall be governed by, and construed in accordance with, the laws of the District of Columbia.

6.02.— The parties to this PSA shall attempt in good faith to resolve any dispute between them relating to or arising out of this PSA by negotiation. ~~If ITSO determines that Intelsat has breached any of its obligations under this PSA, and is unable to resolve the matter to its satisfaction with Intelsat through informal means, ITSO may notify Intelsat, in writing, that it wishes to meet with management representatives or the board of directors of Intelsat to discuss the alleged default. Intelsat shall agree to such meetings, at the mutual convenience of the parties, within a reasonable time from the date of the request, not to exceed 30 days for a meeting with management representatives, and by the next regularly scheduled meeting of the board of directors for a meeting with the directors.~~

6.03.— ~~Any In the event that any~~ dispute, controversy or claim between the parties to this PSA arising out of or relating to this PSA that is not resolved through negotiation as provided for in 6.02. ~~shall be settled by arbitration in the city where ITSO's headquarters is located. Either party may commence arbitration by filing notice of arbitration.~~ ITSO shall have the right, subject to Section 6.04 below, to terminate this PSA by providing _____ with written notification of ITSO's intention to terminate the PSA. Following receipt of the written notification, _____ shall cease its utilization of the CH frequency assignments associated with orbital locations set forth in Annex B within sixty (60) calendar days. At the same time that notification of termination is provided to _____, ITSO shall also provide written notification of its intent to terminate this PSA to the Notifying Administration for those CH frequency assignments associated with orbital locations set forth in Annex B to this PSA.

6.04. If _____ desires to dispute a termination notification provided to it by ITSO pursuant to Section 6.03 above, _____ shall have the right to seek settlement of the dispute by arbitration, by filing a notice of arbitration within thirty (30) calendar days of its receipt of ITSO's notification of intention to terminate the PSA. If such notice is submitted, it shall have the effect of delaying the effectiveness of ITSO's termination notification until the conclusion of the arbitration proceeding. The place of arbitration shall, unless otherwise agree by the parties, be the city in which ITSO's headquarters is located. The arbitration

shall be conducted in accordance with the rules of the court of arbitration of the International Chamber of Commerce (ICC). ~~The arbitration shall be the sole and exclusive forum for resolution of such dispute, controversy or claim, and the award rendered shall be final and binding on the parties. Judgment upon the award rendered may be entered in any court having jurisdiction thereof or having jurisdiction over the parties or their assets. The award rendered shall either be a determination that ITSO has properly terminated the PSA and therefore the termination notice shall be effective as of the date of the arbitration decision, or a determination that ITSO did not properly terminate the PSA and therefore the termination notification is rescinded. This decision shall be final and binding on the parties without need for further action on the part of the prevailing party.~~

~~6.0405.~~ The parties agree that there shall ordinarily be only one arbitrator, to be selected by mutual agreement within 30 days of delivery of notice pursuant to 6.03. Failing such agreement, the arbitrator shall be selected by the ICC. ~~Prior to the commencement of an arbitration, the parties may agree that there should be three arbitrators. In the event the parties agree that there will be three arbitrators, one shall be appointed by the party asserting a claim against the other party, one shall be appointed by the party against whom a claim has been asserted, and the third shall be selected by mutual agreement within thirty (30) days of the selection of the second arbitrator. If the parties fail to agree on the third arbitrator within such 30-day period, then the third arbitrator shall be selected by the ICC. In the event the party against whom a claim has been asserted fails to appoint the second arbitrator within 20 days after the first arbitrator is appointed by the party asserting a claim, then the ICC shall select the second and third arbitrators.~~

~~6.05.—Any~~ ~~6.06.~~ The award ~~of~~ issued by the arbitrator(s) ~~(i)~~ shall be in writing, ~~(ii) and~~ shall state the reasons upon which such award is based, ~~and (iii) may include an award of costs, including reasonable attorneys' fees and disbursements.~~

~~6.06.1. Subject to 6.06.2, the arbitrator(s) may award any remedy authorized by law.~~

~~6.06.2. In cases involving enforcement of the Public Service Obligations, the arbitrator(s) shall make an award appropriate to the enforcement of the Public Service Obligations without undue impairment of Intelsat's commercial flexibility and taking into account customary commercial practice in the telecommunications industry. The arbitrator(s) may:~~

- ~~(i) — declare a party in default and order that party to take such action, in such party's reasonable discretion, to remedy such default;~~
- ~~(ii) — retain jurisdiction, notwithstanding the final and binding character of that award under 6.03, to ensure that such action satisfies the Public Service Obligations; and~~

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~~—— (iii) — as deemed necessary, issue subsequent orders under 6.06.1.~~

~~6.06.3. The arbitrator(s) may award damages to the extent the financial interests of the parties have been injured.~~

~~6.06.4 The arbitrator(s) may award specific performance of the obligations of 3.03 and 4.02.~~

~~6.07. — Either party to this PSA may make an application to the arbitrators seeking provisional measures to preserve its rights until such time as the arbitration award is rendered or the dispute, controversy or claim is otherwise resolved. Either party may apply to any court having jurisdiction hereof and seek provisional measures to preserve its rights until such time as the arbitration award is rendered or the dispute, controversy or claim is otherwise resolved.~~

~~6.08. — Nothing in this PSA shall preclude either party from bringing any proceedings in any court having jurisdiction to enforce any arbitral award made in relation to any arbitration under this PSA.~~

6.07 ITSO shall be reimbursed for all reasonable costs it has incurred in connection with its defense of the arbitration proceeding or it has incurred in connection with its termination of the PSA from funds that have been deposited in the contingency fund account established pursuant to Article 13 of this PSA.

ARTICLE 7
FORCE MAJEURE

~~——~~
No delay or failure by either party in performing any of its obligations referred to in this PSA shall constitute a breach of this PSA nor give rise to any claim or action against it to the extent that such delay or failure is caused by a force majeure. If either party is unable to carry out any of such obligations by reason of a force majeure, it shall promptly advise the other party thereof in writing.

ARTICLE 8
NOTICES

~~——~~ All notices or other communications hereunder shall be deemed to have been duly given and made if served by personal delivery upon the party for whom it is intended, or if delivered to the address set forth below or such other address as may be designated in writing hereafter, by registered or certified mail, return receipt requested, or by a national or international courier service.

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To ITSO:

~~3400 International Drive, N.W.~~
~~4400 Jenifer Street, NW~~
~~Suite# 332~~
Washington, D.C. ~~20008~~20015
Telephone: ~~202-944-6800~~243-5096
~~Telecopier: 202-944-7898~~
Attention: Director General

To ~~Intelsat~~:_____:

~~Dundonald House~~
~~14 Dundonald Street West~~
~~Hamilton HM 09, Bermuda~~

Telephone: ~~441-294-1650~~
~~Telecopier: 441-292-8300~~
Attention: ~~Chief Executive Officer~~

~~With a copy to:~~

~~Intelsat Services Corporation~~
~~3400 International Drive, N.W.~~
~~Washington, D.C. 20008~~
~~Telephone: 202-944-6800~~
~~Telecopier: 202-944-7898~~
~~Attention: General Counsel~~

ARTICLE 9
AMENDMENT

____Any provision of this PSA may be amended or waived if, and only if, such amendment or waiver is in writing and signed, in the case of an amendment, by the parties hereto, or in the case of a waiver, by the party against whom the waiver is to be effective.

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ARTICLE 10

~~ITSO'S WAIVER OF IMMUNITIES~~

~~For purposes of this PSA only, ITSO expressly waives its privileges and immunities and agrees to be bound by the provisions of this PSA.~~

~~ARTICLE 11~~

ASSIGNMENT

No party to this PSA may assign any of its rights or obligations under this PSA without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld. Any attempted assignment in contravention hereof shall be null and void.

~~ARTICLE 12~~

~~ARTICLE 11~~

ENTIRE AGREEMENT

This PSA contains the entire agreement among the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral or written, between the parties with respect to such matter.

ARTICLE ~~13~~12

SUCCESSORS AND ASSIGNS

This PSA shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and the permitted assigns of ~~Intelsat~~. Nothing in this PSA, express or implied, is intended to confer upon any Person other than the parties hereto, their successors or ~~Intelsat's~~'s permitted assigns, any rights or remedies under or by reason of this PSA.

~~ARTICLE 13~~

~~ARTICLE 14~~

FUNDING

~~14.01. In the event ITSO continues beyond twelve years, Intelsat, Ltd. 13.01 shall annually fund ITSO in an amount to be negotiated, in good faith, by the Director General of ITSO and the Chief Executive Officer of Intelsat, based upon the principles and financial expenditures of ITSO during the initial twelve year period. The annual funding of ITSO by~~

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~~Intelsat after the twelfth year shall not exceed US\$1.8 million (Year 2013 dollars). In the event ITSO continues beyond twelve years, and ITSO's contingency fund at this time is below the initial US\$500,000 level, Intelsat shall contribute an additional amount to bring the fund to its original level of US\$500,000, plus the amount necessary to adjust this fund to its 2013 inflation-adjusted value _____ based upon considerations of fairness and the recovery of costs incurred by ITSO in the performance of its supervisory responsibilities performed pursuant to the terms of this PSA.~~

~~1413.02. ITSO _____ shall be funded during also establish and fund a contingency fund in the initial twelve years by funds obtained prior amount of U.S.\$700,000 to the execution be used for purposes set forth in Article 6.07 of this PSA.~~

ARTICLE 14

~~ARTICLE 15~~

DURATION

This PSA shall be in force from the date hereof until the date that _____ ceases to utilize the CH frequency assignments associated with orbital locations set forth in Annex B or the date that is determined by ITSO for the termination of the Agreement Relating to the International Telecommunications Satellite Organization—, whichever occurs first.

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____IN WITNESS WHEREOF, the parties have executed or caused to be executed this
~~Agreement~~PSA as of the date first written above.

The International
Telecommunications Satellite
Organization

“ITSO”

By _____

Name: _____

Title: _____

~~Intelsat,~~ _____ ~~Ltd.~~

By _____

Name: _____

Title: _____

~~Intelsat, LLC~~

By _____

Name: _____

Title: _____

~~Intelsat Service Corp.~~

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By _____
Name: _____
Title: _____

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Annex A

Definitions

Assembly of Parties shall mean the Assembly of Parties of ITSO, established pursuant to the Agreement ~~Relating~~ relating to the International Telecommunications Satellite Organization signed August 20, 1971, as amended.

Director General shall mean the Director General of ITSO.

Force majeure shall mean any act, event, condition or other cause of a compelling nature, which is not reasonably within the control of the performing party.

~~LCO Contract shall mean the terms and conditions for the provision of LCO services, as set forth in Annex B hereto.~~

~~LCO Customer shall mean a party which has entered into an LCO Contract with Intelsat.~~

~~LCO Obligation shall mean the obligation to protect lifeline connectivities and users, as provided in the LCO Contract.~~

~~Party means~~Party [with capital “p”] shall mean a state party to the Agreement Relating to the International Telecommunications Satellite Organization signed August 20, 1971, as amended.

~~party [with lower case “p”] shall mean each party to this PSA.~~

Person shall mean an individual, a corporation, a partnership, an association, a trust or other entity or organization or a government or any agency or political subdivision thereof.

Public Service Obligations shall mean the obligations described in Article 2.

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Annex B

CH frequency assignments associated with orbital locations subject to this Public Services Agreement are:

[tbd]

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PUBLIC SERVICES AGREEMENT BETWEEN ITSO AND INTELSAT

(Source: Document AP-25-3 – Attachment No. 2)

PUBLIC SERVICES AGREEMENT (PSA)

THIS PUBLIC SERVICES AGREEMENT (the “PSA”) is hereby entered into as of July 18, 2001 by and between THE INTERNATIONAL TELECOMMUNICATIONS SATELLITE ORGANIZATION (“ITSO”), established by the Agreement Relating to the International Telecommunications Satellite Organization on August 20, 1971, as amended, and the following entities, which are hereinafter collectively referred to as “Intelsat”: [Intelsat, Ltd., a company incorporated under the laws of Bermuda; Intelsat LLC, a limited liability company incorporated under the laws of the State of Delaware, U.S.A.; and Intelsat Service Corporation, a corporation incorporated under the laws of the State of Delaware, U.S.A.

WITNESSETH:

WHEREAS, the 24th Assembly of Parties decided that ITSO should be restructured as a private entity, with a supervisory intergovernmental organization to protect lifeline connectivities and users;

WHEREAS, ITSO and Intelsat, pursuant to the decision of the 25th Assembly of Parties, shall enter into this PSA to ensure that Intelsat provides, on a commercial basis, international public telecommunications services, in order to (i) maintain global connectivity and coverage; (ii) serve its lifeline connectivity customers; and (iii) provide non-discriminatory access to the Intelsat system, such obligations hereinafter collectively referred to as the “Public Service Obligations”;

WHEREAS, in performing such Public Service Obligations, Intelsat shall be subject to applicable national law; and

WHEREAS, ITSO and Intelsat acknowledge that the Public Service Obligations must be maintained and that the agreement of Intelsat in assuming the Public Service Obligations was a prerequisite to the agreement of ITSO in sanctioning the restructuring and the transfer of assets, and that the performance of the Public Service Obligations is the consideration for the transfer.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings contained herein, and subject to and on the terms and conditions herein set forth, the parties hereto agree as follows:

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ARTICLE 1 DEFINITIONS

1.01. Unless otherwise specifically provided, defined terms shall have the respective meanings assigned to them in Annex A.

1.02. The words “hereof”, “herein”, and “hereunder” and words of similar import, when used in this PSA, shall refer to this PSA as a whole and not to any particular provision of this PSA.

ARTICLE 2 HONORING THE PUBLIC SERVICE OBLIGATIONS

2.01. Intelsat shall provide international public telecommunication services on a commercial basis, in a manner consistent with the following Public Service Obligations, which shall be deemed to have been met if Intelsat:

- (i) maintains global connectivity and coverage and serves its lifeline connectivity customers by providing the capability for any country or territory to connect with any other country or territory through the provision of capacity from at least one satellite in each of the three ocean regions: the Atlantic Ocean region (304.5 to 359 deg. E), the Indian Ocean region (60 to 66 deg. E), and the Pacific Ocean region (174 to 180 deg. E) such that these satellites together provide global coverage to all ITU regions;
- (ii) honors its obligations under the LCO Contracts; and
- (iii) provides non-discriminatory access to the Intelsat system.

Subject only to Article 7 herein, the provision of international public telecommunications services on a commercial basis, in a manner consistent with the Public Service Obligations, is not met if any country or territory which seeks or permits the services provided by the Intelsat system is denied full and complete access to all services provided by the Intelsat system on any ground other than a commercial basis.

2.02. For purposes of this PSA , the following terms shall have the meanings ascribed to them below:

- (i) On a commercial basis: means in accordance with usual and customary commercial practice in the telecommunications industry.

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- (ii) Global connectivity: means the interconnection capabilities available to Intelsat users through the global coverage Intelsat provides in order to make communication possible within and between the five ITU regions defined by the Plenipotentiary Conference of the International Telecommunication Union, held in Montreux in 1965.
- (iii) Global coverage: means the maximum geographic coverage of the earth towards the northernmost and southernmost parallels visible from satellites deployed in geostationary orbital locations.
- (iv) Non-discriminatory access: means fair and equal opportunity to access the Intelsat system.

2.03. In performing its Public Service Obligations, Intelsat shall be subject to applicable national law. In the event Intelsat reasonably believes the application of national law, or proposed changes to national law, will prevent Intelsat from complying with the Public Service Obligations, Intelsat shall, on a commercial basis, use its best efforts to mitigate the adverse consequences of such law to the extent permitted under law.

ARTICLE 3 SUPERVISORY ROLE OF ITSO

3.01. ITSO is entitled to review and assess the performance by Intelsat of the Public Service Obligations.

3.02. In its supervisory role, ITSO:

- (i) Ensures that Intelsat honors the Public Service Obligations defined in Article II; for such purpose, ITSO receives reports, and if necessary, makes recommendations or takes any other appropriate action in connection with Intelsat's performance of the Public Service Obligations;
- (ii) reviews the decisions taken by Intelsat with respect to petitions for eligibility for entering into the LCO Contract and reports to the Parties on the outcome of such reviews; and
- (iii) assists LCO Customers with disputes as described in 4.01. and 4.02.

3.03. For the purpose of enabling ITSO to review and take appropriate steps in connection with Intelsat's compliance with its Public Service Obligations, Intelsat shall provide ITSO with the following:

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- (i) annual, or more frequent as necessary, reports containing sufficient information to demonstrate that Intelsat is meeting its global connectivity and coverage, non-discriminatory access and LCO Obligations;
- (ii) copies of publicly available information contained in documents submitted to regulatory authorities and public financial statements immediately following their release;
- (iii) advice on any events or decisions, which could, in the judgment of Intelsat, materially impair its ability to meet the Public Service Obligations, which advice will be provided in a sufficiently timely manner to enable ITSO to take appropriate action including, if necessary, the convening of an extraordinary meeting of the Assembly of Parties;
- (iv) in the event Intelsat is notified of a complaint lodged with ITSO on a failure of Intelsat to meet its Public Service Obligations, information that enables ITSO to carry out its dispute resolution responsibilities, which information will be provided to the Director General , provided, however, such information (a) only relates to the facts of the particular complaint under consideration, and (b) is provided only to the extent provision of such information is not prohibited under any law or regulation applicable to Intelsat; and
- (v) in the event Intelsat is unable to comply, or believes there may be a significant likelihood of its inability to comply, with the Public Service Obligations due to any Party's regulatory constraints, this shall be reported to ITSO as soon as possible for ITSO to take appropriate action.

3.04. Notwithstanding anything to the contrary contained herein, should any dispute of a non-commercial nature arise between Intelsat and a customer, pending the final resolution of said dispute, Intelsat shall use its best efforts to continue to provide services to said customer.

ARTICLE 4 ROLE OF ITSO IN LCO DISPUTES

4.01. At the request of an LCO Customer, ITSO may assist in the resolution of disputes related to an LCO Contract by:

- (i) advising the LCO Customer as to possible methods of resolving such dispute;
- and

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- (ii) advising an LCO Customer on the desirability of seeking arbitration under the LCO Contract and advising an LCO Customer on preliminary matters preparatory to arbitration, including such matters as the selection of experts and arbitrators, provided, however, that ITSO shall in no event file or in any way make arbitration claims on behalf of any LCO Customer or act as an arbitrator in any dispute.

4.02. ITSO may also assist by conciliating disputes between Intelsat and an LCO Customer. Intelsat shall cooperate with ITSO in the performance of ITSO's role by ensuring that its officers and employees are available to meet at such times and places as are mutually convenient to them and the representatives of ITSO and the LCO Customer.

ARTICLE 5 CONFIDENTIALITY

Each party shall keep strictly confidential, and will cause its officers, employees, representatives of Parties, and any of its advisors, consultants, contractors, counsel, accountants or other authorized representatives ("Representatives") to keep strictly confidential, all information and documents obtained from the other party or such other party's officers, employees or Representatives pursuant to this PSA. Each party and its respective Representatives need not keep strictly confidential any such information or documents that (i) were already known to it, (ii) becomes available to it from other sources not known by it to be bound by a confidentiality obligation, (iii) are independently acquired by it as a result of work carried out by any employee or Representative of it to whom no disclosure of such information has been made, (iv) are disclosed with the prior written approval of the other party, or (v) are or become readily ascertainable from published information or trade sources.

ARTICLE 6 GOVERNING LAW AND DISPUTE RESOLUTION

6.01. This PSA shall be governed by, and construed in accordance with, the laws of the District of Columbia.

6.02. The parties to this PSA shall attempt in good faith to resolve any dispute between them relating to or arising out of this PSA by negotiation. If ITSO determines that Intelsat has breached any of its obligations under this PSA and is unable to resolve the matter to its satisfaction with Intelsat through informal means, ITSO may notify Intelsat, in writing, that it wishes to meet with management representatives or the board of directors of Intelsat to discuss the alleged default. Intelsat shall agree to such meetings, at the mutual

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convenience of the parties, within a reasonable time from the date of the request, not to exceed 30 days for a meeting with management representatives, and by the next regularly scheduled meeting of the board of directors for a meeting with the directors.

6.03. Any dispute, controversy or claim between the parties to this PSA arising out of or relating to this PSA that is not resolved through negotiation as provided for in 6.02. shall be settled by arbitration in the city where ITSO's headquarters is located. Either party may commence arbitration by filing notice of arbitration. The arbitration shall be conducted in accordance with the rules of the court of arbitration of the International Chamber of Commerce (ICC). The arbitration shall be the sole and exclusive forum for resolution of such dispute, controversy or claim, and the award rendered shall be final and binding on the parties. Judgment upon the award rendered may be entered in any court having jurisdiction thereof or having jurisdiction over the parties or their assets.

6.04. The parties agree that there shall ordinarily be only one arbitrator, to be selected by mutual agreement within 30 days of delivery of notice pursuant to 6.03. Failing such agreement, the arbitrator shall be selected by the ICC. Prior to the commencement of an arbitration, the parties may agree that there should be three arbitrators. In the event the parties agree that there will be three arbitrators, one shall be appointed by the party asserting a claim against the other party, one shall be appointed by the party against whom a claim has been asserted, and the third shall be selected by mutual agreement within 30 days of the selection of the second arbitrator. If the parties fail to agree on the third arbitrator within such 30-day period, then the third arbitrator shall be selected by the ICC. In the event the party against whom a claim has been asserted fails to appoint the second arbitrator within 20 days after the first arbitrator is appointed by the party asserting a claim, then the ICC shall select the second and third arbitrators.

6.05. Any award of the arbitrator(s) (i) shall be in writing, (ii) shall state the reasons upon which such award is based, and (iii) may include an award of costs, including reasonable attorneys' fees and disbursements.

6.06.1. Subject to 6.06.2, the arbitrator(s) may award any remedy authorized by law.

6.06.2. In cases involving enforcement of the Public Service Obligations, the arbitrator(s) shall make an award appropriate to the enforcement of the Public Service Obligations without undue impairment of Intelsat's commercial flexibility and taking into account customary commercial practice in the telecommunications industry. The arbitrator(s) may:

- (i) declare a party in default and order that party to take such action, in such party's reasonable discretion, to remedy such default;

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- (ii) retain jurisdiction, notwithstanding the final and binding character of that award under 6.03, to ensure that such action satisfies the Public Service Obligations; and
- (iii) as deemed necessary, issue subsequent orders under 6.06.1.

6.06.3. The arbitrator(s) may award damages to the extent the financial interests of the parties have been injured.

6.06.4 The arbitrator(s) may award specific performance of the obligations of 3.03 and 4.02.

6.07. Either party to this PSA may make an application to the arbitrators seeking provisional measures to preserve its rights until such time as the arbitration award is rendered or the dispute, controversy or claim is otherwise resolved. Either party may apply to any court having jurisdiction hereof and seek provisional measures to preserve its rights until such time as the arbitration award is rendered or the dispute, controversy or claim is otherwise resolved.

6.08. Nothing in this PSA shall preclude either party from bringing any proceedings in any court having jurisdiction to enforce any arbitral award made in relation to any arbitration under this PSA.

ARTICLE 7
FORCE MAJEURE

No delay or failure by either party in performing any of its obligations referred to in this PSA shall constitute a breach of this PSA nor give rise to any claim or action against it to the extent that such delay or failure is caused by a force majeure. If either party is unable to carry out any of such obligations by reason of a force majeure, it shall promptly advise the other party thereof in writing.

ARTICLE 8
NOTICES

All notices or other communications hereunder shall be deemed to have been duly given and made if served by personal delivery upon the party for whom it is intended, or if delivered to the address set forth below or such other address as may be designated in writing hereafter, by registered or certified mail, return receipt requested, or by a national or international courier service.

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To ITSO:

3400 International Drive, N.W.
Washington, D.C. 20008
Telephone: 202-944-6800
Telecopier: 202-944-7898
Attention: Director General

To Intelsat:

Dundonald House
14 Dundonald Street West
Hamilton HM 09, Bermuda
Telephone: 441-294-1650
Telecopier: 441-292-8300
Attention: Chief Executive Officer

With a copy to:

Intelsat Services Corporation
3400 International Drive, N.W.
Washington, D.C. 20008
Telephone: 202-944-6800
Telecopier: 202-944-7898
Attention: General Counsel

ARTICLE 9
AMENDMENT

Any provision of this PSA may be amended or waived if, and only if, such amendment or waiver is in writing and signed, in the case of an amendment, by the parties hereto, or in the case of a waiver, by the party against whom the waiver is to be effective.

ARTICLE 10
ITSO'S WAIVER OF IMMUNITIES

For purposes of this PSA only, ITSO expressly waives its privileges and immunities and agrees to be bound by the provisions of this PSA.

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ARTICLE 11 ASSIGNMENT

No party to this PSA may assign any of its rights or obligations under this PSA without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld. Any attempted assignment in contravention hereof shall be null and void.

ARTICLE 12 ENTIRE AGREEMENT

This PSA contains the entire agreement among the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral or written, between the parties with respect to such matter.

ARTICLE 13 SUCCESSORS AND ASSIGNS

This PSA shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and the permitted assigns of Intelsat. Nothing in this PSA, express or implied, is intended to confer upon any Person other than the parties hereto, their successors or Intelsat's permitted assigns, any rights or remedies under or by reason of this PSA.

ARTICLE 14 FUNDING

14.01. In the event ITSO continues beyond twelve years, Intelsat, Ltd. shall annually fund ITSO in an amount to be negotiated, in good faith, by the Director General of ITSO and the Chief Executive Officer of Intelsat, based upon the principles and financial expenditures of ITSO during the initial twelve year period. The annual funding of ITSO by Intelsat after the twelfth year shall not exceed US\$1.8 million (Year 2013 dollars). In the event ITSO continues beyond twelve years, and ITSO's contingency fund at this time is below the initial US\$500,000 level, Intelsat shall contribute an additional amount to bring the fund to its original level of US\$500,000, plus the amount necessary to adjust this fund to its 2013 inflation adjusted value.

14.02. ITSO shall be funded during the initial twelve years by funds obtained prior to the execution of this PSA.

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ARTICLE 15
DURATION

This PSA shall be in force from the date hereof until the date determined by ITSO for the termination of the Agreement Relating to the International Telecommunications Satellite Organization.

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IN WITNESS WHEREOF, the parties have executed or caused to be executed this Agreement as of the date first written above.

The International
Telecommunications Satellite
Organization
“ITSO”

By

Name:
Title:

Intelsat, Ltd.

By

Name:
Title:

Intelsat, LLC

By

Name:
Title:

Intelsat Service Corp.

By

Name:
Title:

Annex A

Definitions

Assembly of Parties shall mean the Assembly of Parties of ITSO, established pursuant to the Agreement Relating to the International Telecommunications Satellite Organization signed August 20, 1971, as amended.

Director General shall mean the Director General of ITSO.

Force majeure shall mean any act, event, condition or other cause of a compelling nature, which is not reasonably within the control of the performing party.

LCO Contract shall mean the terms and conditions for the provision of LCO services, as set forth in Annex B hereto.

LCO Customer shall mean a party which has entered into an LCO Contract with Intelsat.

LCO Obligation shall mean the obligation to protect lifeline connectivities and users, as provided in the LCO Contract.

Party means a state party to the Agreement Relating to the International Telecommunications Satellite Organization signed August 20, 1971, as amended.

Person shall mean an individual, a corporation, a partnership, an association, a trust or other entity or organization or a government or any agency or political subdivision thereof.

Public Service Obligations shall mean the obligations described in Article 2.