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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

July 29, 2002

By Hand

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, N.W.,
Washington, DC 20554

Re: Iridium Satellite LLC -- File Nos. 187-SAT-P/LA-97(96),
SAT-ASG-20010914-00084

Dear Madame Secretary:

Pursuant to the Commission's July 18, 2002 request,¹ we hereby transmit on behalf of Iridium Satellite LLC ("ISLLC") an executed Satellite Contract (the "Contract") between Boeing Satellite Systems, Inc. ("Boeing") and ISLLC satisfying the first milestone requirement for the Mobile Satellite Service ("MSS") system authorized on July 17, 2001, in *Iridium LLC, Order and Authorization*, 16 FCC Rcd 13778 (2001) (the "Authorization"). The Contract and exhibits demonstrate that the contract is non-contingent, that there are no significant delays between execution and the actual commencement of construction, that there are no conditions precedent to construction, and that the authorized satellites will be built within the time frame specified in the Authorization.

Due to their highly proprietary nature, ISLLC requests that portions of the attached Contract and exhibits be withheld from public inspection and not placed in the

¹ See Letter from Cassandra Thomas, Deputy Chief, Satellite Division, International Bureau, to Phillip L. Spector, attorney for ISLLC, dated July 18, 2002 ("Request Letter").

Commission's public files,² pursuant to Section 552(b)(4) of the U.S. Code, and Sections 0.457(d) and 0.459 of the Commission's Rules.³ The Contract and exhibits are precisely the type of information that, if disclosed, could be of value to competitors and detrimental to ISLLC. The Contract and exhibits include specific information regarding the construction program, pricing and payment terms. ISLLC would be placed at a significant disadvantage if the detailed terms of the Contract were revealed to the numerous competing service providers who stand to benefit competitively from any such knowledge.

In support of this request, and pursuant to Section 0.459(b) of the Commission's rules, ISLLC establishes the following:

1. Identification of Specific Information for Which Confidential Treatment is Sought. The specific information for which confidential treatment is sought is contained in the attachments hereto and includes specific information regarding the construction program, pricing and payment terms. This information has been redacted from the public version of the Contract and exhibits.
2. Description of Circumstances Giving Rise to the Submission. As noted above, the information is being submitted in response to the Request Letter.
3. Explanation of the Degree to Which the Information is Commercial or Financial, or Contains a Trade Secret or is Privileged. The Contract and exhibits contain extremely sensitive commercial, financial and technical information that would customarily be withheld from competitors. For example, the information consists of the price terms, payment schedule, and Statement of Work agreed upon by ISLLC and Boeing. ISLLC would be severely prejudiced in its ability to compete if this information were released to competitors. Indeed, the Contract states that the information it contains is proprietary also to Boeing and may not be disclosed without its permission. Public disclosure of the confidential terms would materially impair the value of the Contract and is likely to cause substantial harm to the competitive position of ISLLC.
4. Explanation of the Degree to Which the Information Concerns a Service that is Subject to Competition. The information for which non-disclosure is sought pertains to the construction of satellites. ISLLC faces competition from companies operating, or planning to operate, various types of satellites and satellite systems. Such companies stand to benefit competitively from any knowledge of the prices, payment terms, and construction program in the Contract and exhibits. For

² To assist the Commission, ISLLC is providing a redacted Contract and Exhibits that may be placed in the public file.

³ 5 U.S.C. § 552(b)(4); 47 C.F.R. § 0.457(d); 47 C.F.R. § 0.459.

example, disclosure would enable competitors to use such information to gain terms more favorable in their negotiations with contractors as well as market services to ISLLC's customers.

5. Explanation of How Disclosure of the Information Could Result in Substantial Competitive Harm. Release of the information for which non-disclosure is sought could result in substantial harm to ISLLC by revealing to its competitors, the satellite construction industry, and the public, the agreed-upon pricing and payment terms, and construction program for its satellites. Current or future competitors in the service market could use the information to learn details about ISLLC's cost structure and construction program that are extremely confidential and are not available in any other public forum. Moreover, ISLLC would be prejudiced in any future negotiation regarding satellite construction if pricing information were available to other satellite construction companies.

6. Identification of Any Measures Taken to Prevent Unauthorized Disclosure. ISLLC takes significant protective measures to ensure that the information contained in the Contract and exhibits is not disclosed to the public. In addition, Article 21 of the Contract requires each of ISLLC and Boeing to keep proprietary information disclosed pursuant to the Contract confidential, and Article 23 of the Contract requires each party to avoid public releases of information without the express prior written consent of the other party.

7. Identification of Whether the Information is Available to the Public and the Extent of Any Previous Disclosure of the Information to Third Parties. Neither the Contract and the exhibits, nor the specific information for which ISLLC seeks confidential treatment has been previously disclosed to the public.

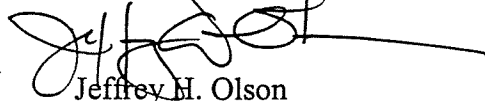
8. Justification of Period During Which the Submitting Party Asserts that Material Should Not be Available for Public Disclosure. ISLLC requests that the specific information for which ISLLC seeks confidential treatment be withheld from public disclosure for an indefinite period of time. In the alternative, ISLLC would request that this information be withheld from disclosure for a period of at least 15 years. Given the relatively long expected life of the satellite constellation and the correspondingly long window during which a future ISLLC competitor might be in a position to use the information to ISLLC's detriment, this period of time is reasonable.

Marlene H. Dortch, Secretary

4

Please direct any questions regarding this matter to the undersigned.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Jeffrey H. Olson', with a long horizontal line extending to the right.

Jeffrey H. Olson

Kira A. Merski

Attorneys for Iridium Satellite LLC

Enclosures

cc: Donald Abelson
Thomas Tycz
Cassandra Thomas
Howard Griboff

PUBLIC

VERSION

FINAL

SATELLITE CONTRACT

BETWEEN

BOEING SATELLITE SYSTEMS, INC.

AND

IRIDIUM SATELLITE LLC

Contract Number: Draft No. 5

Ref. No. 071202

BOEING PROPRIETARY

The information contained in this Contract is proprietary to Boeing and may not be disclosed or provided to any third party without the express written consent of Boeing.

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THIS CONTRACT is effective as of the 15th day of July, 2002,

BETWEEN:

BOEING SATELLITE SYSTEMS, INC., a corporation organized and existing under the laws of the State of Delaware, U.S.A., with a place of business in El Segundo, California, U.S.A. (hereinafter referred to as "Boeing") and

Iridium Satellite LLC, a limited liability company organized and existing under the laws of the State of Delaware, U.S.A., with a place of business in Tempe, Arizona (hereinafter referred to as "Customer").

WHEREAS, Customer desires to procure non-geostationary satellites consisting of the Satellites, and services subject to the terms and conditions hereof; and

WHEREAS, Boeing desires to supply such satellites in accordance with the terms and conditions hereof.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and intending to be legally bound hereby, the Parties hereto agree as follows:

ARTICLE 1 DEFINITIONS

1.1 In this Contract, unless the context otherwise requires, the following terms shall have the meaning stated hereunder:

“Acceptance” with respect to the Satellites shall be as defined in Article 9 (Title, Acceptance, and Risk of Loss).

“Acceptance Test Plan” means the test plan to be provided, which shall be incorporated herein and made a part of this Contract.

“Affiliate” means, with respect to a Party, any direct or indirect subsidiaries or parent company of such Party or another subsidiary of any such parent company or a successor in interest to a Party, any direct or indirect subsidiaries or parent company.

“Available For Shipment” means that the Satellites have undergone the Pre-Shipment Review and have been preliminarily accepted by the Customer, as described in Article 9 (Title, Acceptance, and Risk of Loss).

“Beneficial Access” means, with respect to a Designated Launch Site, that all things which Customer is required to do have been done, and the site is ready in all respects on a 24-hour-per-day basis, in accordance with Article 29 (Customer Responsibilities) and as necessary in Exhibit A, Statement of Work.

“Beneficial Access” means, with respect to a Satellite Control Facility, that all things which Customer is required to do have been done, and the site is ready in all respects on a 24-hour-per-day basis, to permit Boeing to commence SCE installation and/or satellite tracking, as the case may be, in accordance with Article 29 (Customer Responsibilities).

“Business Day” means a day on which Boeing or Customer is open for business, as applicable, but excluding Saturdays, Sundays and days when commercial banks in the State of California or are required or permitted to be closed.

“Consultant(s)” means a person or organization retained by Customer or by Boeing to provide Customer with technical advice and identified by Customer to Boeing as such in accordance with Article 12 (Access to Work in Progress and Data).

“Contract” means this written instrument embodying the agreement between Boeing and Customer and including the Exhibits annexed hereto and made a part of this Contract.

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“Contract Deliverable Requirements List” means any Technical Data and Information generated directly in the performance of the Work under this Contract and specifically listed as Documentation in Exhibit A hereto (Statement of Work) as being deliverable under this Contract.

“Contract Price” means the total amount expressed in Article 4 (Contract Price, Payment and Adjustments).

“Constructive Total Loss” means a Satellite in respect of which the actual or projected condition at completion of In-Orbit Testing or at any time thereafter is expected to be such that the Satellite Performance Index has or is expected to have a calculated value of zero (0).

“Day” means a continuous 24-hour period commencing at Midnight (Greenwich Mean Time).

“Delivery” for Work other than the Satellites shall occur upon Acceptance as defined in Article 9 (Title, Acceptance, and Risk of Loss).

“Delivery Schedule” means the timetable for Delivery set forth in Article 3 (Delivery Schedule).

“Designated Launch Site” means the launch facility provided by the Launch Provider.

“Documentation” means the documentation to be delivered by Boeing to Customer under this Contract, listed in Exhibit A, Statement of Work.

“Effective Date of Contract (EDC)” shall have the meaning set forth in Article 31 (Effective Date of Contract).

“Export Laws” shall have the meaning set forth in Article 7.

“Ground Control Software” means the proprietary computer software programs and related documentation developed by Boeing or its licensor and provided under a separate Contract or by amendment to this Contract at a later date.

“Intentional Ignition” shall mean:

Sea Launch:

Launch: The point in time when an electronic signal is sent to command the opening of any first stage propellant valves. A Launch is deemed to have occurred even if there is a Total Failure, Total Constructive Failure or Partial Failure of the Launch Vehicle.

Intentional Ignition is not defined.

“Launch” or “Launch Attempt” for each Satellite means the point in time when there is Intentional Ignition of any first stage engine of the Launch Vehicle used to launch the such Satellite.

“Launch Agency Services” means the standard services which the Launch Provider provides under its customary launch services agreement.

“Launch Date” shall mean the date scheduled by Customer and the Launch Provider as the date for Launch of the Satellites.

“Launch Provider” means Sea Launch.

“Launch Vehicle” means, for each Satellite, the launch vehicle provided by the Launch Provider for the purpose of launching such Satellite.

“Month” means a calendar month except for schedule and payment purposes. For schedule and payment purposes, “Month” shall mean a month long period beginning with the day after EDC. As an example, for a EDC established as 14 January 2000, “Month 1” is defined as the period beginning on 15 January 2000 and ending on 14 February 2000, “Month 2” is defined as the period beginning on 15 February 2000 and ending on 14 March 2000, and so on.

“Operational Lifetime” means the (Defined after CDR) (TBD) Day performance period of each Spacecraft. This performance period commences on (i) the day when the Spacecraft is positioned at its Specified Orbit Location and in-orbit testing has been completed or (ii) forty-five (45) Days after Launch, whichever is earlier. In the event that the Spacecraft has been placed in a storage orbit, then any such in-orbit storage period shall be counted in the (TBD) Day performance period. The term “Service Life” shall have the same meaning.

FINAL

“Party” means a Person that has signed this Contract as a party; and “Parties” means all such Persons.

“Person” means any individual, partnership, limited liability company, corporation, association, trust or other entity, including any government or political subdivision or any agency, department or instrumentality thereof.

“Product Assurance Plan” means the Product Assurance Plan to be provided for this Contract, which shall be incorporated herein and made a part of this Contract.

“Satellite” means a Mobile Satellite Services (MSS) Class Satellite to be provided to Customer as part of the Work. The term “Spacecraft” shall be interchangeable with the term “Satellite” and has the same meaning.

“Satellite Control Facility (SCF)” means the facility provided by Customer to provide tracking capability for the Launch of the Satellites.

“Satellite Performance Index” means a performance index established as required by this Contract and by the Critical Design Review (CDR).

“Satellite Loss” means either a Satellite Failure or a Launch Failed Satellite.

“Satellite Failure” means a Satellite, not being a Launch Failed Satellite, which is a Constructive Total Loss.

“Service Life” shall have the same meaning as “Operational Lifetime”.

“Specified Orbit Location” means, with respect to a Satellite, the orbit location specified in accordance with the (Satellite Technical Specification).

“Statement of Work” means the Statement of Work attached as Exhibit A to this Contract, which is incorporated herein and made a part of this Contract.

“Subcontractor” means a Person that has been awarded a subcontract by Boeing to provide a portion of the Work covered by this Contract.

“Successfully Launched Satellite” means a Satellite that meets both of the following conditions:

- 1) The elements of the Satellite’s transfer orbit established by the Launch Vehicle and the spin axis orientation and time of separation are each within three (3) sigma

limits of the Launch Vehicle performance as established by Boeing in the interface control document or equivalent relating to the Satellite; and

- 2) The Satellite has not suffered damage caused by any failure or malfunction of the Launch Vehicle.

“Technical Data and Information” means documented information, which is directly related to the use, operation, and maintenance of the Satellites. This includes, for example, information in the form of drawings, photographs, technical writings, pictorial reproductions and specifications. This term does not include ground computer software, financial reports, cost analysis and information incidental to Contract administration.

“United States Government” means the government of the United States, including any agencies, commissions, branches, instrumentalities and departments thereof.

“Vendor Software” means the proprietary computer software programs, in object code form, and related documentation developed by vendors and delivered under the Contract.

“Work” means all labor, services, acts (including tests to be performed), items, materials, articles, Documentation, equipment, matters and things to be furnished by Boeing under this Contract.

- 1.2 The Article and Paragraph headings are for convenience of reference only and shall not be considered in interpreting this Contract. Where the context so requires, words importing the masculine gender include the feminine and neuter genders. The recitals of this Contract are descriptive only and shall not create or affect obligations of the Parties.

ARTICLE 2 SCOPE OF WORK

2.1 In accordance with the terms and conditions of this Contract, Boeing shall sell, and Customer shall purchase, the items referred to in Article 3 (Delivery Schedule). This Contract shall consist of a four phased satellite design and construction program. Phase one will be approximately three (3) months in duration and will consist of the System Architecture Validation Review, as defined in Exhibit A, Statement of Work. Phase two will be approximately three (3) months in duration and will consist of the Design Concept Review (DCR), as defined in Exhibit A, Statement of Work. Phase three will be approximately six (6) months in duration and will consist of a spacecraft Critical Design Review (CDR), as defined in Exhibit A, Statement of Work. Phase four will provide for the satellite construction period and all remaining reviews. [REDACTED]

[REDACTED]

Boeing shall furnish and perform the Work in accordance with the provisions of this Contract and in the manner specified in the following documents, which are made a part of this Contract:

Document

- Exhibit A - Statement of Work
- Exhibit B - Payment Schedule
- Exhibit C - Milestone Schedule

2 In the event of any inconsistency among or between the parts of this Contract, such inconsistency shall be resolved by giving precedence in the order of the parts as set forth below:

- A. Contract Articles
- B. Payment Schedule (Exhibit B)
- C. Statement of Work (Exhibit A)
- D. Milestone Schedule (Exhibit C)

ARTICLE 3 DELIVERY SCHEDULE

3.1 The following goods and services to be provided under this Contract shall be delivered on or before the dates specified below. In addition, each Party shall use commercially reasonable efforts consistent with available technology and manufacturing capacity to adhere to the Milestone Schedule specified in Exhibit C hereto.

<u>Item</u>	<u>Date of Delivery or Performance</u>	<u>Place of Delivery</u>
1. 96 Flight SVs	Per Exhibit C	Boeing Loading Dock
2. 14 Spare SVs	Per Exhibit C	Boeing Loading Dock
3. Documentation	Per Exhibit A	Customer Facility

3.2 Delivery of items listed in Paragraph 3.1 shall be deemed to have occurred upon arrival of the item at the place of delivery or upon completion of the service as the case may be.

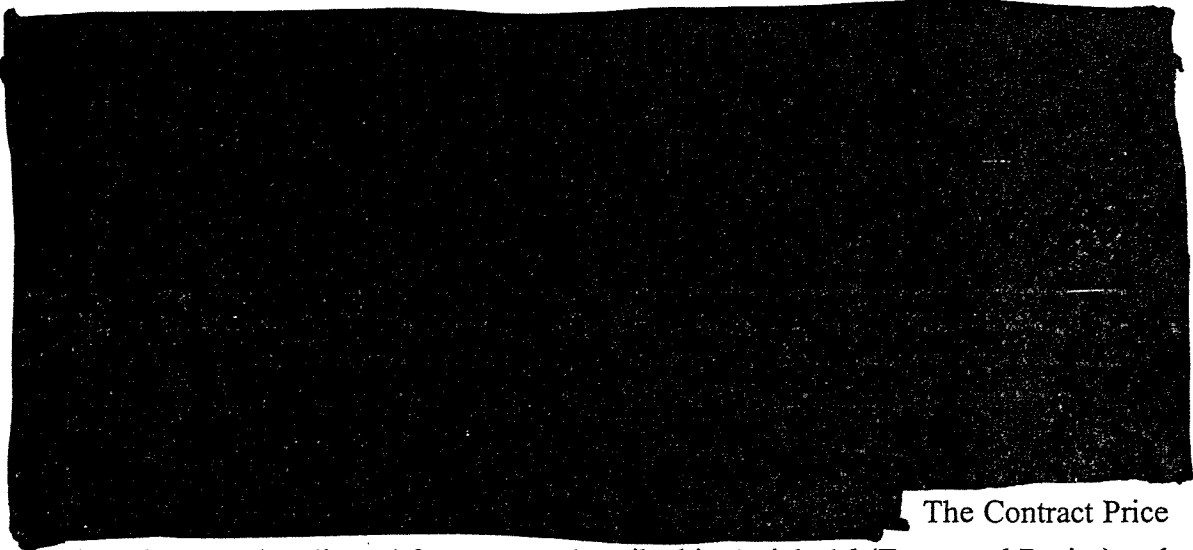
3.3 Unless expressly designated for storage in accordance with Article 22 (Changes) by Customer's written notice to Boeing at least six (6) Months prior to a Satellite being Available for Shipment, a Satellite shall be deemed to be deliverable to the loading dock.

3.4 Packing will be in accordance with Boeing's standard commercial practice.

3.5 Customer may request in writing that Boeing Deliver the Satellite earlier than the Date of Delivery specified in paragraph 3.1. Customer shall propose the desired new Date of Delivery in response to which Boeing shall confirm in writing if it can or cannot deliver the Satellite earlier than the agreed-to Date of Delivery. If Boeing agrees to deliver the Satellite earlier, the Customer shall pay Boeing USD (TBD) per day for each day Boeing actually delivers the Satellite in advance of the original Date of Delivery; but in no event shall Boeing be liable for any late delivery penalties before the original Date of Delivery.

ARTICLE 4 CONTRACT PRICE, PAYMENT AND ADJUSTMENTS

4.1 Contract Price and Payment



The Contract Price may be subsequently adjusted for taxes as described in Article 16 (Taxes and Duties) and design changes as described in Article 22 (Changes).



In the event Customer elects to launch on another launch vehicle, said notification shall be provided in accordance with Article 22 (Changes), and the Contract Price and other affected terms will be adjusted accordingly.

4.2



4.2.1



4.2.2



4.2.3 [REDACTED]

4.3 No dispute with respect to the payment of any amount under this Contract shall relieve the disputing party of its obligation to pay all other amounts due and owing under this Contract.

4.4 Contract payments shall be current prior to shipment of a satellite to the launch site or launch processing facility:

- A. With respect to any payment, Boeing may stop work if Customer does not comply with the provisions of Paragraph 4.3 above.
- B. Boeing shall not be required to proceed with processing a Satellite for Delivery unless Customer is current on all payments due at that point in time with respect to such Satellite. Once Boeing proceeds with the Work, there shall be an equitable adjustment to the terms of the Contract including but not limited to price and schedule.

4.5 Amounts payable are to be remitted by telegraphic transfer to a bank to be advised in writing by Boeing.

ARTICLE 5 SATELLITE PERFORMANCE AND SATELLITE LOSSES

- 5.1 The provisions of this Article shall operate to determine the Satellite Performance Index and whether a Satellite is a Partial Loss or a Constructive Total Loss. The satellite Critical Design Review (CDR) results shall determine the performance indices to be used in this Contract. **(Criteria to be negotiated sixty days after CDR).**
- 5.2 The performance indices are intended to be proportional to loss in capacity or link margin and, in the case of insurance service life. Secondary consideration is given to the functional ability of the satellite.
- 5.3 In the event the Satellite continues to provide service to Customer for which Customer receives revenues beyond the Operational Lifetime defined herein, Customer agrees to pay to Boeing, in addition to other amounts payable under this Contract, the sum of US\$ (TBD) per Day. Such payments shall be made quarterly and shall continue for as long as Customer continues to receive revenues on the Satellite. Payments required to be made by Customer under this Paragraph shall be made within thirty (30) Days after receipt of Boeing's invoice.

ARTICLE 6 RESERVED

ARTICLE 7 PERMITS AND LICENSES: GOVERNMENT APPROVALS

7.1 Boeing shall, at its own expense, obtain all United States Government approvals, permits and licenses as may be required for the performance of the Work under this Contract. Boeing shall perform the Work in accordance with all applicable laws, government rules, regulations and ordinances of the United States Government and the conditions of all such applicable United States Government permits and licenses.

7.2 Notwithstanding this or any other Article in this Contract, the Parties understand and agree that certain restrictions are placed on access to Boeing's plant and the use of Technical Data and Information and hardware delivered under this Contract with relation to the approvals, permits and licenses Boeing must obtain from the United States Government.

As a result, and if applicable, the Parties agree that such access and the actual delivery of any Technical Data and Information will be under a separate agreement having United States Government approval. Boeing shall prepare said agreement and in consultation with Customer shall request United States Government approval.

7.3 The Documentation and hardware ("products") furnished under this Contract will be authorized by the United States Government for export only to Customer in the U.S. or to the Designated Launch Site for launch into space. The products may not be resold, diverted, transferred, trans-shipped or otherwise be disposed of in any other country or in any other manner, either in their original form or after being incorporated through an intermediate process into other end items without the prior written approval of the United States Government, which approvals are the sole responsibility of Customer. Additionally, transferring registration or control to any other person or business entity of the products furnished under this Contract is considered an export and as such also requires prior written approval from the United States Government, which approvals are the sole responsibility of Customer. Customer represents and warrants that the ultimate end use of the products is for telecommunications services.

- 7.4 If a foreign launch location, customer is responsible for obtaining all non-United States Governmental approvals, licenses and permits, including those which may be required for Boeing to perform in compliance with the laws at the Designated Launch Site, including any required import license(s) for SCE and other related items, and licenses and permits at the Designated Launch Site. Customer is also responsible for obtaining all non-United States Governmental approvals, licenses and permits required to enable Boeing's Subcontractors to perform tasks, installations, maintenance and testing as required at the Designated Launch Site and all ground sites outside the United States.

ARTICLE 8 ACCEPTANCE

- 8.1 Final Acceptance of the Satellites shall arise following the completion of the Pre-Shipment Review.
- 8.2 The procedure for effecting a Pre-Shipment Review shall be as follows:
- A. Boeing shall conduct a Pre-Shipment Review at its premises prior to dispatch of the Satellite from its premises.
 - B. The Pre-Shipment Review shall verify that:
 - 1. The Satellite acceptance testing has been completed in accordance with the Satellite Test Plan;
 - 2. All material discrepancies or non-conformances affecting Operational Lifetime have been corrected or dispositioned; and
 - 3. The Satellite, and supporting documentation as specified in Exhibit A, Statement of Work are ready for shipment based on an inspection of the Satellite and examination of the data package.
 - C. At least fifteen (15) Business Days written notice of the date of the Pre-Shipment Review shall be given by Boeing to Customer.
 - D. Customer shall have the right to send representatives to attend the Pre-Shipment Review.

E. Final acceptance shall arise upon the occurrence of any of the following:

1. The Pre-Shipment Review complies in all respects with the provisions of Paragraph 8.2.B, and Customer notifies Boeing of their acceptance of the Pre-Shipment Review within five (5) Business Days following completion. Failure of Customer to so notify Boeing shall be deemed to constitute acceptance of said review; or
2. The Pre-Shipment Review complies in all respects with Paragraph 8.2.B except for minor non-conformances that have not been corrected or disposition which Boeing demonstrates at the review to Customer have no adverse affect upon the capability of the Satellite to perform its on-orbit mission throughout its Operational Lifetime, and Customer notifies Boeing of their acceptance of the Pre-Shipment Review within five (5) Business Days following completion. Failure of Customer to so notify Boeing shall be deemed to constitute acceptance of said review; or
3. If the Pre-Shipment Review contains non-conformances which require correction, within five (5) Business Days after the said review, Customer shall request correction of non-conforming conditions affecting the Satellite in writing ("PSR Correction Notice"). Boeing shall promptly correct the non-conforming conditions referred to therein and, promptly following such correction, shall notify Customer that the corrections have taken place and shall invite Customer to send representatives to attend an inspection at which they will be entitled to verify that such corrections have been satisfactorily made. The provisions of this Paragraph 8.2 shall thereafter apply similarly to that inspection as if that inspection was the original Pre-Shipment Review.

8.3 Upon Final Acceptance of the Satellite, the Satellite shall be available for Shipment.

8.4 If there is any delay in installation and checkout due to unavailability of hardware or facilities not the responsibility of Boeing, and in particular if the Beneficial Access obligations in accordance with Article 29, Customer's Responsibilities, are not met by Customer, then there shall be a day for day adjustment to the delivery date and Customer shall be responsible for any reasonable costs directly related to the delay.

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Should a dispute arise as to whether Work does or does not conform with the requirements for the Contract, or whether the plan for corrective action is adequate, then, unless otherwise agreed, the dispute shall be resolved in accordance with Article 30, Applicable Law and Dispute Resolution.

ARTICLE 9 TITLE AND RISK OF LOSS

- 9.1 Title and risk of loss or damage to each Satellite to be delivered under this Contract shall pass from Boeing to Customer at the time of Final Acceptance of that Satellite providing all payments have been made to Boeing by the customer.
- 9.2 The Parties agree that Boeing may file, for precautionary purposes, appropriate Uniform Commercial Code financing statements or any similar document having the same effect in foreign countries reflecting Boeing's right, title, and interest to all Spacecraft prior to transfer of title in such deliverable items to the Customer, provided that Boeing shall be responsible for preparing such financing statements and terminating such financing statements upon transfer of title in such items to the Customer.

ARTICLE 10 EXCUSABLE DELAYS

- 10.1 An "Excusable Delay" shall be any delay in the performance of the Work caused by an event which is beyond the control of Boeing, its Affiliates, and its Subcontractors, and not involving fault or negligence of Boeing, its Affiliates or its Subcontractors, such as, but not limited to, any acts of Government, including but not limited to the Governments of the United States, and the country of the Launch Site in their contractual or sovereign capacities (including the refusal, suspension, withdrawal, or non-renewal of export or import licenses essential to the performance of the Contract); war, whether declared or not; acts of terrorism; energy shortages; fire; earthquake; flood; strike; work slowdown; epidemic; quarantine restriction; freight embargo; or acts of God. Notwithstanding any other provisions of this Contract, in the event of an Excusable Delay, there shall be an equitable adjustment to the time for performance of the affected Work and other terms stated in this Contract as they are applicable. Boeing shall give prompt notice to Customer that an Excusable Delay exists within fifteen (15) Days of Boeing learning of such a delay or potential delay. In all cases Boeing shall use reasonable efforts to avoid or minimize such delay (e.g.: exercise of alternate sources or work-around plans).
- 10.2 Because of the complex nature of this developmental Contract, an Excusable Delay shall also include any period of time reasonable necessary for either Party to consider any material change in the Work proposed by the other Party or the charges relating thereto, including the time reasonably required to obtain any governmental approvals deemed necessary by either Party, provided that the Party seeking such governmental approval shall make reasonable efforts to obtain such approval as expeditiously as practicable. There shall be a day for day adjustment to the delivery date while the Parties consider the change in Work and the Customer shall be responsible for any reasonable costs directly related to the delay.
- 10.3 In the event the Excusable Delay continues for more than ninety (90) Days, either Party may terminate the Contract pursuant to Article 17.1.

ARTICLE 11 RESERVED

ARTICLE 12 ACCESS TO WORK IN PROGRESS AND DATA

- 12.1 Subject to Article 7, Permits and Licenses: Government Approvals, Paragraph 12.3 below, and Article 21, Proprietary Information, Boeing shall provide Customer and its Consultant(s) reasonable access to all Work being performed under this Contract (including observation of tests in accordance with the requirements of the Acceptance Test Plan), at Boeing's facilities, at reasonable times during the period of this Contract, provided that such access does not unduly interfere with such Work. All access to Work must have been previously coordinated with the Boeing Program Manager or other person designated by Boeing for such purpose. Boeing may, at its reasonable discretion, deny access to Consultants or persons whose business affiliations (present or potential) are contrary to Boeing's competitive interest, security requirements, or compliance with United States law. Subject to the restrictions set forth above, Customer and its Consultant(s) shall also be afforded access to the Subcontractors' facilities, to the extent that Boeing is permitted to provide such access, and subject to Boeing accompanying Customer and its technical representative on any such visit.
- 12.2 Work-in-progress, technical and schedule data and documentation directly related to this Contract shall be subject to reasonable evaluation and inspection by Customer and its Consultant(s), subject to the restrictions set forth in Paragraphs 12.1 and 12.3.
- 12.3 Customer and/or its Consultant(s) visiting at the Boeing facility or a Subcontractor's facility (a) will abide by Boeing's security regulations and/or those of its Subcontractors and applicable United States Government regulations; (b) will not disclose to a third party any information received in connection with the access provided hereunder and will use such information only in the performance of this Contract, whether or not such information is marked or otherwise identified as proprietary; and (c) will not remove any documents, materials or other items from any facility of Boeing or its Subcontractors without the express written consent of the Boeing Program Manager.
- 12.4 Subject to Paragraph 29.1.E, Boeing shall approve all Customer Consultants. Such approval shall not be unreasonably withheld. As a condition of approval and by their identification to Boeing, the Customer warrants that a written agreement restricting the disclosure of information by the Consultant(s), in a form meeting the minimum requirements for protection of Boeing information as set forth in Article 21 hereof entitled "Proprietary Information", has been executed by the Consultant and the Customer and will be enforced.

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12.5 As a condition to access to the facilities of Boeing, its Affiliates and its Subcontractors under this Article, Customer agrees to indemnify Boeing and its Subcontractors for, and hold Boeing and its Subcontractors harmless against, any loss, damage, liability or expense (including attorney's fees and other expenses of investigating or defending claims) resulting from damage to property or from personal injury, including death, attributable to Customer or its employees, subcontractors, agents or Consultants while at Boeing's or its Subcontractors' facilities.

ARTICLE 13 INTER-PARTY WAIVER OF LIABILITY

- 13.1 Boeing and Customer shall each be responsible for property damage it sustains and for bodily injury, including death, or property damage sustained by its own employees, contractors and subcontractors at every tier, regardless of fault, occurring at any Boeing facility, subcontractor facility or the Designated Launch Site.
- 13.2 Boeing and Customer hereby waive and release claims they may have against each other and against their respective contractors and subcontractors, and agrees to waive subrogation for any loss or liability which it sustains as a result of damage to its own property and employees, including death, occurring at any Boeing facility, subcontractor facility or the Designated Launch Site pursuant to this Contract.
- 13.3 Boeing and Customer shall each hold harmless and indemnify the other Party and its directors, officers, servants, agents, subsidiaries, employees as assignees, or any of them, against liability, loss or damage arising out of claims that each Party's contractors and subcontractors, or any person on whose behalf the Party enters into this Contract may have for property damage sustained by them and for bodily injury or property damage sustained by their employees, at the Designated Launch Site.
- 13.4 Boeing and Customer shall each extend the requirements of this Article 13, Inter-Party Waiver of Liability, to its contractors and subcontractors, at every tier, by requiring them to waive and release all claims they may have against the Parties and the respective contractors and subcontractors of each, and to agree to be responsible for property damage they sustain and to be responsible, hold harmless and indemnify the Parties and contractors and subcontractors of each for bodily injury or property damage sustained by their own employees, occurring at the Designated Launch Site regardless of fault.
- 13.5 In the event that either Customer or Boeing fails to extend the requirements stated in Paragraph 13.4 to their respective contractors or subcontractors, then such Party shall indemnify and hold the other Party, and their respective contractors and subcontractors, harmless from claims brought by such Party's subcontractors with respect to matters that otherwise would have been covered by this Article 13, Inter-Party Waiver of Liability.
- 13.6 Notwithstanding any provision of this Contract to the contrary, any waiver, release, assumption of responsibility or agreement to hold harmless and indemnify herein shall not apply to claims for bodily injury or property damage resulting from willful

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misconduct of any of the Parties, the contractors and subcontractors, at every tier, of any of the Parties and the directors, officers, agents and employees of any of the foregoing.

- 13.7 In addition, for launches covered by Commercial Space Operations Support Agreement (CSOSA), each Party agrees to the reciprocal waiver of claims contemplated by the United States Department of Transportation, the Federal Aviation Administration (FAA) and FAA Office of the Associate Administrator for Commercial Space Transportation (AST)-issued Launch License in connection with any and all of the Launches hereunder.

ARTICLE 14 WARRANTY

14.1 Subject to the provisions of Article 34, Limitation of Liability, and Paragraph 14.5, Boeing warrants that the Satellite delivered under this Contract shall be free from material defects in materials or workmanship as specified by the Satellite Technical Specification. This warranty shall apply to the Satellite (other than the Satellite's batteries and solid propellant motors) beginning upon the Available for Shipment Date and shall run for a period of two(2) years, or until Launch, whichever is earlier.

With respect to batteries, this warranty shall begin upon cell activation and shall run for a period of two (2) years after such activation, or until Launch, whichever is earlier.

14.2 Customer shall have the right at any time during the period of this warranty to require that any Work not conforming in any material respect to the exhibits to this Contract be promptly corrected or replaced (at Boeing's option and expense) with conforming Work. If Boeing fails to correct or replace such defective Work within a reasonable period after notification from Customer, Customer may then require Boeing to repay such portion of the Contract Price as is equitable under the circumstances in lieu of repairing or replacing such defective Work.

14.3 The remedy under Article 14.2 shall not apply if repair or parts replacement is required because of accident, unusual physical or electrical stress, negligence, misuse, failure of environmental control prescribed in operations and maintenance manuals, repair or alterations by the Customer its officers, directors, employees, consultants, representatives, agents or subcontractors, or causes other than ordinary use.

14.4 THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING FITNESS FOR PARTICULAR PURPOSE OR MERCHANTABILITY AND THE REMEDY PROVIDED HEREIN IS THE SOLE REMEDY FOR FAILURE BY BOEING TO FURNISH SATELLITES AND SCE THAT ARE FREE FROM MATERIAL DEFECTS IN MATERIAL OR WORKMANSHIP AS SET FORTH IN PARAGRAPHS 14.1 AND 14.2 ABOVE, RESPECTIVELY. ALL OTHER WARRANTIES OR CONDITIONS IMPLIED BY ANY OTHER STATUTORY ENACTMENT OR RULE OF LAW WHATSOEVER ARE EXPRESSLY EXCLUDED AND DISCLAIMED.

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ARTICLE 15 CUSTOMER REPS AND WARRANTIES

Customer represents, covenants and warrants:

- (a) *The Customer is not and does not plan on becoming insolvent, and if it does, will give immediate written notice to Boeing of such insolvency.*
- (b) *The Customer has no intention of filing for bankruptcy and acknowledges that the representation of that intent is material to Boeing's willingness to enter into this Contract.*
- (c) *The Customer agrees to oppose any attempt to place it into receivership, or for it to be the subject of an assignment for benefit of creditors.*

ARTICLE 16 TAXES AND DUTIES

- 16.1 The Contract Price excludes, and Boeing and Boeing's Affiliates and Subcontractors shall not be required to pay, any present or future non-U.S. or U.S. taxes, duties, fees, levies, bonds, duties, charges, contributions, or any other such fiscal burden related to this Contract imposed by any jurisdiction other than the United States or any U.S. state or local jurisdiction in which Boeing performed effort on this Contract limited to the following:
- (a) Taxes, customs duties, or other charges levied on goods delivered or imported into Customer's State or local jurisdiction or the Designated Launch Site under this Contract; and
 - (b) Taxes, customs duties, or other charges levied on materials, test equipment, tools, and documentation temporarily delivered or imported into the Customer's State or local jurisdiction or the Designated Launch Site which are required for the performance of this Contract.
- 16.2 Boeing shall consult with Customer or its designated Consultant(s) on any taxes or duties which may be payable under Paragraph 16.1 above. In the event any of the items in 16.1 above are levied upon Boeing, Affiliates, or Subcontractors, Boeing shall immediately notify Customer. Customer, within five (5) Days of receipt of such notification from Boeing, shall either have the charges waived or pay the charges directly. For those items in Paragraph 16.1 that Boeing is required by law to pay, Customer shall reimburse Boeing in an amount which leaves Boeing in the same economic position as if such payment of charges and reimbursement thereof had not been required, within ten (10) Days of Customer's receipt of Boeing's invoice. Boeing's reimbursement request will be accompanied by evidence of the amount and purpose of such payments, and shall include a calculation of the amount of reimbursement required under the preceding sentence.
- 16.3 Boeing shall be responsible for and shall pay all United States taxes, fees, levies, duties and other lawful charges which are levied upon Boeing or its Affiliates in connection with the Boeing's performance of the Work under the Contract, except those levied as a result of transfer of title in the United States for an unlaunched Satellite as described in Article 32.5. In addition, Boeing shall be responsible for all non-United States taxes attributable to Boeing's Affiliates and/or Subcontractors in connection with the Work under the Contract.

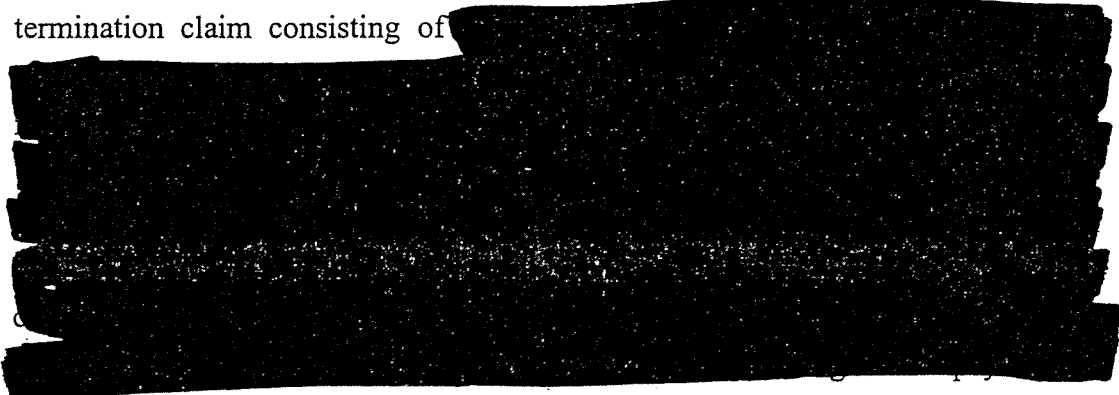
ARTICLE 17 TERMINATION


17.1 Termination for Customer's Convenience

- A. Customer may, upon providing written notice to Boeing at any time terminate the Work in accordance with the terms set forth below, and Boeing shall immediately cease Work in the manner and to the extent specified. Notwithstanding the foregoing, in no event shall there be a Termination for Convenience after the Satellites have been launched.

- B. Upon receipt of a notice of termination, as provided in Paragraph 17.1.A above, Boeing shall take the following actions:
 - 1) stop Work under this Contract on the date and to the extent specified in the notice of termination;
 - 2) place no further orders, subcontracts for materials, services, or facilities;
 - 3) terminate orders and subcontracts to the extent that they relate to the performance of Work;
 - 4) settle all outstanding liabilities and all claims arising out of such termination or orders, subcontracts for material, services, or facilities; and
 - 5) take such action as may be reasonably necessary, or as Customer may direct, for the protection and preservation of the property related to this Contract which is in possession of Boeing or any Subcontractor and in which Customer has or may acquire an interest.

- C. Within ninety (90) Days or longer (as determined by Boeing) after determination by Boeing of the cost of all Work terminated, Boeing shall submit to Customer its termination claim consisting of



 The termination claim shall give credit for all amounts already paid by Customer to Boeing in respect of the terminated Work. In no event shall a termination settlement exceed the Contract Price inclusive of any performance incentives.

- D. Each termination claim shall be accompanied by a certificate signed by the contracts manager of Boeing stating that the claim properly includes the costs incurred by Boeing in connection with the Work terminated. In the event Customer desires independent verification of the claim, it may request at Customer's expense to have Boeings' independent Certified Public Accountants (CPA) audit the costs incurred by Boeing and report to the Parties. Such audit shall constitute a final determination of actual costs notwithstanding the provisions of Article 30, Applicable Law and Dispute Resolution, of this Contract.
- E. Customer shall within thirty (30) days following submission of Boeings' termination claim pay to Boeing for any termination for convenience hereunder the amount claimed by Boeing unless Customer requests verification by Boeings' independent CPA. In the event verification is requested, Customer shall place the amount claimed by Boeing into an interest-bearing escrow account at Bank of America, Concord, California, within thirty (30) Days after receipt of invoice. Within thirty (30) Days after receipt of the aforementioned CPA report, Customer shall pay all amounts (together with a reasonable profit thereon) set forth in said report subject to Paragraph 17.1D above.
- F. Title to all items of Work which would have been incorporated into a deliverable item under this Contract, and which are in progress before the giving of notice under Paragraph 17.1A above, shall, upon payment in full of all amounts due hereunder and subject to applicable U.S. Government Export Regulations, vest in Customer, and Boeing shall deliver all such items to Customer FOB Boeing plant, El Segundo, California (who shall accept such items).
- G. If in Boeings' sole judgment it is feasible for Boeing to utilize any items of terminated Work, it shall submit to Customer an offer to acquire such items. If such offer is accepted, Boeings' termination claim shall be credited with the agreed acquisition price. Boeing shall have no obligation to use any of the Work in any other project or for any other customer and any decision to do so shall be made at Boeings' sole discretion.

- H. Boeing shall use reasonable efforts to place subcontracts on terms that will enable Boeing to terminate in a manner consistent with this Article
- I. This Paragraph 17.1 shall apply only to a complete termination of the Work. Customer requests for termination of only a portion of the Work shall be presented to Boeing and negotiated pursuant to Article 22, Changes.

17.2 Termination for Boeing's Default

- A. Customer may issue a written notice of default (the "Default Notice") to Boeing if:
 - 1) Boeing commences a voluntary proceeding concerning itself under any applicable bankruptcy, insolvency, reorganization, adjustment of debt, relief of debtors or similar law ("Insolvency Law"); or any involuntary proceeding commences against Boeing under an Insolvency Law and the petition has not been dismissed within sixty (60) Days after commencement of the proceeding; or a receiver or custodian is appointed for or takes charge of all or a substantial portion of the property of Boeing and such custodian or receiver has not been dismissed or discharged within sixty (60) Days; or Boeing has taken action toward the winding-up, dissolution or liquidation of Boeing or its business; or Boeing has been adjudicated insolvent or bankrupt or an order for relief or other order approving a case or proceeding under an Insolvency Law has been entered; or Boeing has made a general assignment for the benefit of creditors or become unable to pay its debts generally as they become due.
- B. Customer's service of a Default Notice on Boeing shall operate to terminate this Contract forthwith with respect to the Work, which is in default under Paragraph 17.2.A, as Customer shall elect. If Customer fails to serve a Default Notice on Boeing within thirty (30) Days of the occurrence of any of the events identified in paragraph 17.2.A above, Customer shall have waived its right to terminate the Contract for Boeing's default.
- C. Customer shall be entitled to retain title to parts or other material, together with any associated warranties, and any subcontracted items, which Boeing has specifically produced or acquired or entered into in accordance with this Contract provided that all payments due Boeing are current.

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- D. If, after termination of this Contract under the provisions of this Paragraph 17.2, it is determined by arbitration or admitted in writing by Customer that Boeing was not in default under the provisions of this Article, or that the default was excusable under the provision of Article 10, Excusable Delays, such termination shall be considered a termination for convenience of Customer and Boeing shall be paid in accordance with the calculations set forth in Paragraph 17.1 hereof.
- E. The rights and remedies provided to Customer in this Paragraph 17.2, and in Article 4, Contract Price, Payment and Adjustments shall be exclusive and in lieu of any other rights and remedies provided by law or in equity in the event Boeing fails to meet its obligations to perform the Work.
- F. Customer shall have no right to terminate this Contract for default after Satellite launch.

17.3 Termination for Customer's Default

- A. This Contract shall terminate upon written notice from Boeing if:
 - 1) Customer fails to respond within ten (10) Days to Boeing's demand for payment after such payment is due.
 - 2) Customer fails to make any payment due to Boeing hereunder when due, provided such failure is not cured within a period of ten (10) Days following receipt of notice thereof from Boeing.
 - 3) Customer commences a voluntary proceeding concerning itself under any applicable bankruptcy, insolvency, reorganization, adjustment of debt, relief of debtors or similar law ("Insolvency Law"); or any involuntary proceeding commences against Customer under an Insolvency Law and the petition has not been dismissed within sixty (60) Days after commencement of the proceeding; or a receiver or custodian is appointed for or takes charge of all or a substantial portion of the property of Customer and such custodian or receiver has not been dismissed or discharged within sixty (60) Days; or Customer has taken action toward the winding-up, dissolution or liquidation of Customer or its business; or Customer has been adjudicated insolvent or bankrupt or an order for relief or other order approving a case or proceeding under an Insolvency Law has been entered; or Customer has made a general

assignment for the benefit of creditors or become unable to pay its debts generally as they become due.

- 4) Customer fails to provide any of the items described in Article 29, Customer's Responsibilities, subject to the period of time identified in Paragraph 29.3.
- 5) Customer has assigned or transferred this Contract in violation of the provisions of Article 26, Assignment or Change in Ownership or Control, hereof.

B. Upon the termination that is not waived under Paragraph 17.3.A above, the following shall occur automatically unless as to each there is a specific waiver by Boeing:

- 1) Boeing automatically will be required to Stop Work, and all obligations of Boeing shall terminate automatically hereunder.
- 2) Boeing shall automatically have the right to retain possession and title to the Work, and all items thereof, and all payments received prior to such automatic termination; unless and until all payments specified in Paragraph 17.1.A. under the Contract as a result of any termination by Boeing have been received by Boeing in immediately available funds.
- 4) All items supplied hereunder shall be automatically withheld for Boeing's benefit until Boeing has received full payment.
- 5) Boeing shall not place any further orders or subcontracts for materials, services, or facilities to the extent they relate to the performance of the Work.
- 6) All order and Subcontracts to the extent they relate to performance of Work shall terminate automatically.
- 7) Boeing shall settle all outstanding liabilities and all claims arising out of such termination of orders and Subcontracts for materials, services, or facilities.
- 8) Should Customer become a debtor in any bankruptcy proceeding, Customer shall move to assume or reject his Contract within forty-five (45) Calendar Days after the entry of any order for relief.

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- C. The parties hereto, in consideration of settling and compromising a controversy existing pre-contract only, and without waiver of any future claims, or defaults, represent, warrant covenant and agree that the Customer agrees prospectively to grant Boeing relief from stay in any and all bankruptcy or insolvency proceedings of the Customer, within and outside of the United States, including as to the right of Boeing to assert a termination on an event of default, and that the Customer has signed, and authorized Boeing to file the attached Stipulation Re Entry of Relief from Stay.

ARTICLE 18 DATA AND SOFTWARE

18.1 Use of Contract Deliverable Data

Subject to the provisions of Article 21, Proprietary Information, and to the extent Boeing has the right to make such a grant, Customer and its Consultants shall have a nonexclusive, non-transferable, worldwide, royalty-free right to use the Contract Deliverable Data for the Satellite Program solely for purposes of maintaining and operating the Satellite and delivered Equipment.

18.2 Use of Copyrights

Notwithstanding any other provision hereof, the ownership and title to copyrights in Documentation shall remain in Boeing or its licensor(s). Boeing grants to Customer a royalty-free nonexclusive right under Boeing's copyrights to make copies of the Documentation solely for use in connection with the maintenance and operation of the Satellite and delivered Equipment. On any and all documentation that is copyrighted, Customer shall apply the appropriate copyright notice to all copies made thereof. All rights to documentation not owned by Boeing are limited by the extent of Boeing's rights and interest therein.

18.3 Vendor Software

Vendor Software shall be provided to Customer in accordance with the particular Vendor's usual software license agreement, which agreement(s) will be provided to Customer upon installation of said software. Customer agrees to use Vendor Software only in accordance with the provisions of such software license agreements.

18.4 Protection of Software

Except for those rights in the Ground Control Software, and Satellite Operating Software specifically granted in this Contract, no other rights in said Software are granted to Customer. The Ground Control Software and Satellite Operating Software in object code and source code form, if any, and any associated documentation are trade secrets of Boeing and/or its licensor(s). Customer agrees to preserve such Ground Control Software and Satellite Operating Software and related documentation in confidence and shall not disclose such Ground Control Software and Satellite Operating Software to any third parties. This provision does not limit the right of Customer to use this Ground Control Software or Satellite Operating Software, or information therein, which

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Customer may already have or obtains without restriction. Additionally, third parties do not include those employees and Consultants who have Customer's permission and who have agreed in a binding written agreement to use the Ground Control Software and Satellite Operating Software only in accordance with the restrictions in this Contract. Customer agrees to take all reasonable steps to safeguard from theft, loss and negligent disclosure to others all Ground Control Software and Satellite Operating Software delivered hereunder. Customer shall take appropriate action by instruction and agreement with its employees and Consultants who are permitted access to the Ground Control Software and Satellite Operating Software including advising such employees and Consultants of Customer's obligations hereunder. The foregoing obligations shall survive termination or expiration of this Contract.

- 18.6 In the event of any termination of the Work under this Contract, any data rights specified in this Article shall revert to Boeing and Customer shall have no further rights with respect to such data.

ARTICLE 19 PATENT INDEMNIFICATION

19.1 In lieu of any other warranty by Customer or Boeing against infringement of intellectual property rights, express or implied, it is agreed that Boeing will defend or settle, at its expense, any suit against Customer based on a claim that Customer's use of the Satellite furnished under this Contract infringes an intellectual property right in the United States, unless such infringement would not have occurred but for Boeing following requests, instructions or specifications of Customer, and provided Boeing is promptly notified in writing of such claim and given authority, information and assistance by Customer for the defense or settlement thereof. Boeing agrees to pay damages and costs finally awarded against Customer in any suit defended by Boeing pursuant to this Contract.

Nothing in this Contract shall be construed as requiring Boeing to defend a suit or pay damages or costs if either (i) the infringement claim or judgment is based upon the use of any goods and services furnished in combination with other goods and services not provided by Boeing or approved for use by Boeing, if the infringement would not have occurred but for such combined use; (ii) the infringement claim is based on the goods and services being used in other than their specified operating environment; or (iii) the infringement claim is based on the Customer's modification of the Satellite or Satellite Control Equipment.

If the use of the Satellite(s) is enjoined in such suit Boeing shall, at its option, either procure for the Customer the right to use the Satellite(s) or substitute an equivalent product reasonably acceptable to the Customer or modify same to render them noninfringing. If Boeing determines that none of these alternatives are reasonably available or feasible, Boeing shall meet with the Customer to address the matter and reach an equitable solution reasonably acceptable to the Customer.

If the infringement results from the compliance with the Customer's directed designs, specifications or instructions, Customer will defend or settle, at its expense, any such claim or suit against Boeing.

19.2 Boeing's total liability for the cost of any such defense and any subsequent award of damages and costs under this Article 19, Patent Indemnification, shall not exceed [REDACTED]. The existence of one or more claims or lawsuits shall not extend this amount.

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- 19.3 In no event shall Boeing be liable for any indirect, incidental, special, or consequential damages (including but not limited to lost revenues or profits).
- 19.4 The foregoing constitutes the parties' entire obligation with respect to claims for infringement.

ARTICLE 20 RIGHTS IN INVENTIONS

- 20.1 A. As used in this Contract, "Program Invention" shall mean any invention, discovery or improvement conceived of and/or first reduced to practice in the performance of Work under this Contract. Information relating to Inventions shall be treated as proprietary information in accordance with the provisions of this Contract. Rights to inventions conceived solely by Boeing or its employees shall vest completely with Boeing.
- B. Boeing shall be the owner of all Program Inventions invented solely by Boeing. Boeing grants Customer a royalty-free, nonexclusive license to use Program Inventions solely for the purposes of maintenance and operation of the Satellite and delivered Equipment.
- C. Customer shall be the owner of all Program Inventions invented solely by Customer. Boeing is granted a non-exclusive license to use Program Inventions solely for the purposes of constructing the satellite, performing environmental testing, spacecraft checkouts in-orbit testing and anomaly resolution. Boeing may not use customer developed technology for any other purpose without customer's express written consent.
- D. 1) In the case of joint Inventions, that is, inventions conceived jointly by one or more employees of both Parties hereto, each Party shall have an equal, undivided one-half interest in and to such joint Inventions, as well as in and to patent applications and patents thereon in all countries.
- 2) In the case of such joint Inventions, Boeing shall have the first right of election to file patent applications in any country, and Customer shall have a second right of election. Each Party in turn shall make its election at the earliest practicable time, and shall notify the other Party of its decision.
- 3) The expenses for preparing, filing and securing each joint Invention patent application, and for issuance of the respective patent shall be borne by the Party which prepares and files the application. The other Party shall furnish the filing Party with all documents or other assistance that may be necessary for the filing and prosecution of each application. Where such joint Invention application for patent is filed by either Party in a country which requires the payment of taxes, annuities, maintenance fees or other charges on a pending application or on an

issued patent, the Party which files the application shall, prior to filing, request the other Party to indicate whether it will agree to pay one-half of such taxes, annuities, maintenance fees or other charges. If within sixty (60) Days of receiving such request, the non-filing Party fails to assume in writing the obligation to pay its proportionate share of such taxes, annuities, maintenance fees or other charges, or if either Party subsequently fails to continue such payments within sixty (60) Days of demand, it shall forthwith relinquish to the other Party, providing that said other Party continues such payments, its interest in such application and patent and the Invention disclosed therein, subject, however, to retention of a paid-up, non-exclusive, non-assignable license in favor of the relinquishing Party, its parent, and any subsidiary thereof to make, have made, use, lease and sell apparatus and/or methods under said application and patent.

- E. Each owner of a jointly-owned patent application or patent resulting therefrom shall, provided that it shall have fulfilled its obligation, if any, to pay its share of taxes, annuities, maintenance fees and other charges on such pending application or patent, have the right to grant non-exclusive licenses thereunder and to retain any consideration that it may receive therefor without obligation to account therefor to the other Party. In connection therewith, each of the Parties hereby consents to the granting of such non-exclusive licenses by the other Party and also agrees not to assert any claim with respect to the licensed application or patent against any licensee of the other Party thereunder during the term of any such license.

ARTICLE 21 PROPRIETARY INFORMATION

- 21.1 Under this Contract, Boeing (and its Affiliates) and Customer may disclose to each other such of their respective information, some of which may be Proprietary Information as defined below, as the disclosing Party in its sole discretion believes will be essential to the objectives of the Contract and which it has a right to disclose.
- 21.2 "Proprietary Information" means information which a Party deems proprietary to it. Each Party shall hold in confidence and withhold from third parties any and all Proprietary Information received under this Contract and shall use such Proprietary Information only as set forth in this Contract and for no other purpose unless the disclosing Party shall otherwise agree in writing. Each Party shall take reasonable and appropriate measures to safeguard any Proprietary Information received under this Contract from theft, loss or disclosure to others, and to limit access to Proprietary Information to those officers, directors and employees within the receiving Party's organization who reasonably require access in order to accomplish the aforesaid purposes.
- 21.3 In order to be protected hereunder, Proprietary Information shall be in written or other permanent form and be prominently identified as proprietary using an appropriate legend, marking stamp or other clear and conspicuous written identification which unambiguously indicates the information being provided is the originating Party's Proprietary Information. Any such information in other than written or other permanent form when disclosed shall be considered Proprietary Information hereunder, but only to the extent identified as the originating Party's Proprietary Information at the time of original disclosure and thereafter summarized in written form which clearly and conspicuously identifies the Proprietary Information. Such summary shall be transmitted by the originating Party to the receiving Party within thirty (30) Days of the nonwritten disclosure.
- 21.4 The receiving Party shall not be liable for use or disclosure of any such Proprietary Information if it can establish that the same:
- a) is or becomes a part of the public knowledge or literature without breach of this Contract by the receiving Party; or
 - b) is known to the receiving Party without restriction as to further disclosure when received; or

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- c) is independently developed by the receiving Party as demonstrated by written records; or
- d) becomes known to the receiving Party from a third party who had a lawful right to disclose it and without breach of this Contract.

Specific Proprietary Information shall not be deemed to be available to the public or in the possession of the receiving Party merely because it is embraced by more general information so available or in the receiving Party's possession.

- 21.5 Should the receiving Party be faced with judicial or administrative governmental action to disclose Proprietary Information received hereunder, said receiving Party shall forthwith notify the originating Party in sufficient time to permit the disclosing Party to intervene in response to such action.
- 21.6 The receiving Party agrees to promptly notify the disclosing Party of the loss or unauthorized use or disclosure of any Proprietary Information, and upon request of the originating Party, the receiving Party shall surrender any part or all of the Proprietary Information to the originating Party.
- 21.7 The individuals identified in Article 24, Notices, are designated as the point for receiving proprietary information exchanged between the Parties pursuant to this Contract.
- 21.8 Boeing shall use reasonable efforts including appropriate contractual provisions in Subcontracts, to ensure confidentiality of all proprietary information of Customer which may be disclosed to Subcontractors.
- 21.9 Customer shall have its Consultants agree in writing to be bound to protect Boeing Proprietary Information on the same conditions as set forth herein.
- 21.10 Upon termination of this Contract for any reason, the Parties shall cease use of all Proprietary Information furnished by the other Party and shall, at the direction of the furnishing Party, return to or destroy all such Proprietary Information, together with all copies made thereof. Upon request, the receiving Party shall send the other Party a destruction certificate.

ARTICLE 22 **CHANGES**

- 22.1 The Parties recognize the complex nature of this satellite developmental Work and that the satellite specification is preliminary at contract signing and that there will be evolving satellite performance specification and work description changes during the system design study portion of this contract. Any changes or re-determination of the satellite specifications or statement of work requested by Boeing or the Customer during the performance of this Contract, which will add or delete Work, affect the design of the Satellites, change the method of shipment or packing, or the place or time of delivery, or will affect any other requirement of this Contract, shall be in accordance with this Article 22. If such requested change causes an increase or decrease in the price or other terms of this Contract, Boeing shall submit a proposal to Customer.
- 22.2 Customer shall notify Boeing in writing within ten (10) Days after receipt of the requested change proposal, whether or not it agrees with and accepts such change. If Customer agrees with and accepts the requested change, Boeing shall proceed with the performance of the Contract as changed and an amendment to the Contract reflecting the change proposal, shall be issued. If Customer does not agree with such requested change, the Parties shall attempt to reach agreement on such change. In the event the Parties are unable to reach agreement on such change, or price adjustment, if any, or both, Boeing shall proceed with the performance of the Contract, as unchanged.
- 22.3 Customer may submit to Boeing any changes requested by Customer during the performance of this Contract, within the general scope of the Contract, which will add or delete Work, affect the design of the Satellites, change the method of shipment or packing, or the place or time of delivery, or will affect any other requirement of this Contract. Boeing shall respond to such request in writing to Customer within thirty (30) Days after such request. Boeing shall submit to Customer, at the time the response to the requested change is submitted, the details of the impact of such change. Customer shall notify Boeing in writing, within ten (10) Days after receipt of Boeing's response, whether or not it agrees with and accepts Boeing's response. If Customer agrees with and accepts Boeing's response, Boeing shall proceed with the performance of the Contract as changed and an amendment to the Contract reflecting such change shall be incorporated into the Contract. In the event the Parties are unable to reach agreement on such change, or price adjustment, if any, or both, Boeing shall proceed with the performance of the Contract, as unchanged.

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ARTICLE 23 PUBLICITY

Except for internal publications/releases not intended for the public at large or as authorized by Article 28 herein, each Party shall obtain the prior written approval of the other Party, concerning the content and timing of news releases, articles, brochures, advertisements, prepared speeches and other information releases concerning the Work performed or to be performed hereunder, prior to the release of such information. No public announcements (with the exception of any required FCC filing requirements) shall be authorized prior to the Critical Design Review.

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ARTICLE 24 NOTICES

Any notices or requests required or desired to be given or made hereunder shall be in writing and shall be delivered to the following addresses:

A. Iridium Satellite LLC

8440 South River Parkway

Tempe, Arizona 85284

Telephone: (480) 752-1100

Facsimile: (480) 752-1105

Attention: Ralph Smith

B. Boeing Satellite Systems, Inc.

M/S W/S52/Z103

Post Office Box 92919, Airport Station

Los Angeles, California 90009

Telephone: (310) 662-9480

Facsimile: (310) 364-5721

Attention: Steven E. Taylor, Manager, Contracts

Any notice or request shall be deemed to have been received according to the following table:

Method of Transmittal	Deemed Received
In person to an officer of the recipient Party	Date of hand delivery
Courier	Date of courier delivery
Facsimile	Date and time identified on receipt confirmation if prior to 1700 hours local time; otherwise, the following Business Day

Either Party may change its address for notices by notice to the other Party in accordance with this Article.

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ARTICLE 25 INTEGRATION

This Contract, together with the Exhibits, contains the entire agreement between the Parties relating to the subject matter hereof. All prior understandings, representations and warranties (including those contained in sales, promotional and/or marketing materials) by and between the Parties, written or oral, which may be related to the subject matter hereof in any way, are superseded by this Contract. The express terms in this Contract also supersede any prior course of dealing, course of performance or usage in trade.

ARTICLE 26 ASSIGNMENT OR CHANGE IN OWNERSHIP OR CONTROL

26.1 Neither Party shall assign or transfer this Contract or any of its rights, duties or obligations hereunder to any person or entity, in whole or in part, without the prior written consent of the other Party (which approval shall not be unreasonably withheld or unduly delayed). However, either Party may assign or transfer any of its rights, duties or obligations under this Contract, either in whole or in part, to its parent company or a subsidiary in which the assigning Party has a controlling interest, provided always that the assigning Party shall remain secondarily liable with respect to performance of all duties and obligations set forth in this Contract, including compliance with all applicable laws and regulations, or to a third party when required as a result of a merger, acquisition, re-capitalization or other similar event, or other legal transfer of a Party's partial or complete assets to such third party.

26.2 Boeing shall not unreasonably withhold consent to any assignment or transfer by Customer providing that Customer can demonstrate to Boeing's satisfaction that:

- (1) its successor or assignee possesses the financial resources to fulfill Customer's obligations under this Contract; and
- (2) any such assignment or transfer shall not jeopardize Boeing data rights or competitive position, or violate laws related to export or technology transfer, or otherwise increase Boeing's risks or obligations or be detrimental in any other manner to the legitimate business interests of Boeing.

Customer shall reimburse Boeing for all expenses incurred by Boeing in obtaining advice from its external financial and legal advisors relating to Customer's proposed assignment or transfer.

26.3 For purposes of this Article, any direct or indirect change in control of Customer shall constitute an assignment and transfer of this Contract. A "change of control" of an entity shall include (i) one or more transfers of stock or other equity interests to a Person or group of Persons acting in concert if, as a result of such transfer(s), such Person(s) acquire 20% or more of the stock or other equity interests of such entity having general voting rights (provided that a "change of control" shall not include instances where the transferee(s) has acquired less than 50.1% of the equity interests of such entity and said transferee(s) can demonstrate that it has in fact not acquired effective control of said entity by virtue of such transfer); (ii) one or more transactions in which a Person or group

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of Persons acting in concert are granted the right to designate a majority of the board of directors (or persons performing similar functions in a non-corporate entity) of such entity; (iii) one or more transfers of stock or other equity interests to a Person or group of Persons acting in concert of a proscribed country as set forth in the International Traffic In Arms Regulations ("ITAR"), 22 CFR §126.1; or (iv) any of the foregoing occurring with respect to the parent corporation or other Person controlling such entity.

26.4 This Contract shall be binding upon the Parties hereto and their successors and permitted assigns.

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ARTICLE 27 SEVERABILITY

In the event any one or more of the provisions of this Contract shall, for any reason, be held to be invalid or unenforceable, the remaining provisions of this Contract shall be unimpaired, and the invalid or unenforceable provision shall be replaced by a mutually acceptable provision which, being valid and enforceable, comes closest to the intention of the Parties underlying the invalid or unenforceable provision.

ARTICLE 28 **CORRECTIVE MEASURES**

28.1 Unlaunched Satellites

- A. Without limiting the obligations of Boeing under other provisions of this Contract, if the data available from a Boeing satellite which is in-orbit or under construction by Boeing shows that there is a material deficiency in the design or manufacture of such satellite which, in the opinion of Boeing, will adversely affect the Satellite produced under this Contract, Boeing shall notify Customer of any such material deficiency coming to Boeing's attention and shall, promptly upon written request of Customer, take appropriate corrective measures at its own expense, with respect to the unlaunched Satellite so as to satisfactorily eliminate from such unlaunched Satellite all the material deficiencies discovered in such satellite that is in-orbit or under construction.

- B. In the event that corrective measures taken pursuant to this Article cause a delay, there shall be an equitable adjustment to the time for performance of the affected Work.

28.2 If Boeing, in accordance with Paragraphs 28.1 replaces any equipment or any part which was determined to be deficient, such deficient equipment or part shall remain or become the property of Boeing.

28.3 Nothing in this Article requires Boeing to disclose in-orbit data from satellites owned by others.

ARTICLE 29 CUSTOMER'S RESPONSIBILITIES

- 29.1 The responsibilities of Customer, which will be discharged at no cost to Boeing or Boeing's Affiliates or Subcontractors, are contained in or are to be identified in Exhibit A, Statement of Work, and as set forth below.
- A. Customer will supply (i) the Launch Vehicle, together with all support equipment, interface hardware and documentation necessary for integration of the Satellites and Launch Vehicle and (ii) Launch Agency Services. As promptly as practicable, and in any event no later than sixty (60) days after completion of Phase III and the Critical Design Review (CDR) the Customer will designate in writing to Boeing the Launch Date; and Customer will notify Boeing promptly in the event of any changes in the Launch Date.
 - B. Customer will provide to Boeing and its Affiliates and Subcontractors Beneficial Access to the Designated Launch Site and all buildings and facilities thereon (including without limitation testing and storage facilities), utilities (including without limitation power, phone and data lines) and services (including without limitation transportation at the Designated Launch Site) necessary to permit Boeing to (i) deliver the Satellite at the Designated Launch Site as soon as the Satellite is Available for Shipment; (ii) conduct testing and provide all Launch Operations Services to be performed by Boeing hereunder; and (iii) conduct all other operations at the Designated Launch Site necessary for fulfillment of Boeing's obligations under this Contract.
 - C. Customer will provide Beneficial Access to Boeing and its Affiliates and Subcontractors at each Satellite Control Facility, on a timely basis, as necessary to permit Boeing to perform its obligations under this Contract. Customer shall also provide all civil works utilities and environmental controls associated with any Satellite Control Centers.

D. *In addition to, and without limiting the generality of, the foregoing, Customer will provide to Boeing:*

1. *Coupled loads and coupled thermal analyses data relating to the Launch Vehicle, which will be furnished to Boeing no later than sixty days after CDR.*
2. *All separation hardware and the flight adapter for a fit check of the flight adapter, which shall be delivered to Boeing's plant in El Segundo within sixty days after CDR.*

E. Customer shall obtain Launch and In-Orbit Insurance prior to Launch including coverage of Boeing and its subcontractors' operation of the Satellite through handover. In addition, Customer shall obtain from its insurers waivers of any subrogation rights against Boeing or its Affiliates or Subcontractors, and shall provide evidence of such waivers to Boeing prior to Launch of the Satellite.

F. Customer shall provide written notification to Boeing as early as practicable as to the identity/nationality of their employees and Consultant(s) and any subsequent changes, if any. It is recognized that certain United States Government approvals may be required before such employees and Consultant(s) have access to Work pursuant to the provisions of Article 12, Access to Work in Progress and Data, and that the processing time for obtaining such approvals could take a few months.

G. Customer is responsible for obtaining the necessary orbital location, frequency spectrum and other approvals and licenses to operate the Iridium Satellite Program. Customer agrees to indemnify Boeing for, and hold Boeing harmless against, any loss, damage, liability or expense (including attorney's fees and other expenses of investigating or defending claims) resulting from any claims made by any party as a result of Customer's responsibilities under this Paragraph.

29.2 If the Customer furnished items and/or responsibilities are not available at the time scheduled or not suitable for the intended purpose, in lieu of actual damages, Customer shall pay to Boeing all costs resulting from such delay plus a profit of [REDACTED] on such costs and any affected delivery date for the Work shall be extended to permit Boeing adequate time to perform its obligations under the Contract.

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29.3 If the Customer has defaulted in its obligations under this Article and the default continues for two (2) Months, in addition to the remedies set forth under Paragraph 29.2 above, Boeing may terminate this Contract pursuant to Paragraph 17.3.

ARTICLE 30 APPLICABLE LAW AND DISPUTE RESOLUTION

30.1 This Contract and any performance related thereto shall be interpreted and construed, governed and enforced under the laws of the State of California, USA, without giving effect to its conflict of laws principles; it being understood that the UN Convention on the International Sale of Goods shall not be applicable.

30.2 If, during the course of performance hereunder, a dispute arises between Customer and Boeing as to the rights or obligations of either Party under this Contract, either Party may give written notice of its objections and the reasons therefor and may recommend corrective action. Boeing's Program Manager shall consult with Customer's authorized senior program management representative in an effort to reach a mutual agreement to overcome such objections. In the event mutual agreement cannot be reached, the respective positions of the Parties shall be forwarded to Customer's Chief Executive and Boeing Satellite Systems Vice President, for discussion, and such persons shall attempt to reach mutual agreement.

30.3 If mutual agreement cannot be reached within thirty (30) Days through all steps of the above process, such dispute shall, at the request of either Party, be referred to a mediator or mediation panel jointly selected by the Parties for mediation and conciliation. If the Parties are unable to agree on a mediator or mediation panel within five (5) Days following such request, the provisions of Paragraph 30.4 shall apply.

The mediation and conciliation shall be without prejudice and non-binding. Any evidence given or statements made in the course of the mediation and conciliation may not be used against a Party in any other proceedings.

The cost of mediation and conciliation shall be shared equally by the Parties. Each Party shall bear the cost of preparing and presenting its own case.

30.4 If the Parties are unable to resolve the dispute as a result of such mediation and conciliation, or if neither Party desires to pursue mediation and conciliation, such dispute may be referred on the application of either Party for final determination to an arbitration

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tribunal convened in accordance with the Commercial Arbitration Rules of the American Arbitration Association, which arbitration shall be conducted by three arbitrators in the English language.

- 30.5 The place of arbitration shall be Los Angeles, California, U.S.A., and all matters in dispute shall be determined in accordance with the applicable law specified in Paragraph 30.1.
- 30.6 The award rendered by the arbitration tribunal shall be binding on both the Parties, and shall be enforceable by any court of competent jurisdiction. The cost of arbitration, including the fees and expenses of the arbitrators, will be shared equally by the Parties, unless the award otherwise provides. Each Party shall bear the cost of preparing and presenting its own case, unless the award otherwise provides.
- 30.7 Notwithstanding anything else contained herein, the Parties agree that it is to their mutual advantage to resolve any such dispute in a timely manner.

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ARTICLE 31 EFFECTIVE DATE OF CONTRACT

The Effective Date of Contract (EDC) of this Contract shall be the date this Contract is duly signed by both Parties.

ARTICLE 32 RESERVED

ARTICLE 33 RESERVED

ARTICLE 34 LIMITATION OF LIABILITY

34.1 Boeing makes no warranty or agreement, express or implied, to or for the benefit of any person or entity other than the Customer concerning the performance of the Satellite or any other matters relating to the Work hereunder. Customer shall indemnify and hold harmless Boeing and its Affiliates and Subcontractors from and against any loss, damage, liability or expense (including attorneys' fees and other expenses of investigating or defending claims) resulting from (i) any representation made by Customer to any third party relating to the Work; (ii) any claim of Persons dealing with or through Customer (including customers or insurers) ; or (iii) any other claims relating to the Satellite and arising after Launch of the Satellite. Customer shall obtain from its insurers waivers of any subrogation rights against Boeing or its Affiliates or Subcontractors, and shall provide evidence of such waivers to Boeing prior to Launch of the Satellite.

34.2 THE PARTIES TO THIS CONTRACT EXPRESSLY RECOGNIZE THAT COMMERCIAL SPACE VENTURES INVOLVE SUBSTANTIAL RISKS AND RECOGNIZE THE COMMERCIAL NEED TO DEFINE, APPORTION AND LIMIT CONTRACTUALLY ALL OF THE RISKS ASSOCIATED WITH THIS COMMERCIAL SPACE VENTURE. THE PAYMENTS AND OTHER REMEDIES EXPRESSLY SET FORTH IN THIS CONTRACT FULLY REFLECT THE PARTIES' NEGOTIATIONS, INTENTIONS AND BARGAINED-FOR ALLOCATION OF THE RISKS ASSOCIATED WITH COMMERCIAL SPACE VENTURES.

THE WARRANTY OBLIGATIONS OF BOEING AND THE REMEDIES AGAINST BOEING THEREFOR WHICH ARE EXPRESSLY SET FORTH IN ARTICLE 14 OF THIS CONTRACT ARE EXCLUSIVE AND ARE IN SUBSTITUTION OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED (INCLUDING ANY STATUTORY WARRANTIES SUCH AS IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) WHICH ARE EXPRESSLY DISCLAIMED. CUSTOMER'S SOLE AND EXCLUSIVE REMEDIES, AND BOEING'S SOLE OBLIGATIONS FOR (i) ANY BREACH OF THIS CONTRACT, INCLUDING DELAY OR DEFAULT; (ii) ANY DEFECT, NON-CONFORMANCE OR DEFICIENCY IN ANY WORK UNDER THIS CONTRACT OR IN ANY INFORMATION, INSTRUCTIONS, SERVICES OR OTHER THINGS PROVIDED PURSUANT TO THIS CONTRACT; OR (iii) ANY OTHER CLAIMS WHATSOEVER ARISING OUT OF OR RELATING TO THIS CONTRACT AND/OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER DENOMINATED AS

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CONTRACT, TORT, EQUITABLE STATUTORY OR ANY OTHER TYPE OF CLAIM) ARE LIMITED TO THOSE SET FORTH IN ARTICLES 5, 11, 14, 17 AND 19 HEREOF; AND ALL OTHER REMEDIES OR RECOURSE AGAINST BOEING OF ANY KIND ARE EXPRESSLY DISCLAIMED AND FOREVER WAIVED BY CUSTOMER.

BOEING SHALL NOT, UNDER ANY CIRCUMSTANCES, UNDER ANY WARRANTY (EXPRESS, IMPLIED, OR STATUTORY) OR UNDER ANY THEORY OF LIABILITY (INCLUDING NEGLIGENCE, TORT, STRICT LIABILITY, CONTRACT, OR OTHER LEGAL OR EQUITABLE THEORY) HAVE ANY LIABILITY TO THE CUSTOMER OR THE CUSTOMER'S CUSTOMERS OR TO ANYONE ELSE FOR ANY SPECIAL, CONSEQUENTIAL AND/OR INCIDENTAL DAMAGES, WHETHER OR NOT FORSEEABLE, INCLUDING BUT NOT LIMITED TO LOST REVENUES OR PROFITS, COST OF CAPITAL, OR ANY OTHER FORM OF ECONOMIC LOSS RESULTING FROM ANY BREACH OF THIS CONTRACT OR WITH RESPECT TO ANY DEFECT, NON-CONFORMANCE OR DEFICIENCY IN ANY INFORMATION, INSTRUCTIONS, SERVICES OR OTHER THINGS PROVIDED PURSUANT TO THIS CONTRACT.

- 34.3 The Limitations of Liability set forth herein shall also apply to all Affiliates and Subcontractors of Boeing to the same extent as set forth herein with respect to Boeing.

ARTICLE 35 MISCELLANEOUS

35.1 Disclaimer of Agency

None of the provisions of this Contract shall be construed to mean that either Party hereto is appointed or is in any way authorized to act as an agent of the other Party. This Contract does not constitute, create, give effect to, or otherwise recognize a joint venture, partnership or formal business organization of any kind, and the rights and obligations of the Parties shall be limited to those expressly set forth herein.

35.2 Waiver of Breach of Contract

A waiver of any breach of a provision hereof shall not be binding upon either Party unless the waiver is in writing. Such waiver shall not be construed as thereafter waiving any rights or privileges not specifically addressed in the writing, and the same shall continue and remain in full force and effect as if no failure to enforce had occurred.

35.3 Term of Contract

This Contract shall be in full force and effect as long as either Party is or may be required to perform any obligation pursuant to this Contract. In addition, Articles 13, 16 and 21 shall survive the expiration or termination of this Contract for whatever cause.

35.4 Language

With respect to all correspondence relating to this Contract and to all material, including labels and markings of equipment, submitted by Boeing hereunder, the English language and U.S. units of measure shall be used. Controlling language for this Contract shall therefore be the English language.

35.5 Amendments

This Contract may not be modified except by written amendment signed by duly authorized representatives of both Parties.

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IN WITNESS WHEREOF, this Contract has been issued in two counterparts and signed in the city of El Segundo, California on behalf of Customer and Boeing by persons authorized on their behalf.


BOEING SATELLITE SYSTEMS, INC.

By: 
(Signature)

Name: Robert J Pescone

Title: Director of Contracts & Pricing

IRIDIUM SATELLITE LLC

By: 
(Signature)

Name: GINO O. PICASSO

Title: CEO/PRESIDENT

Exhibit A

Iridium - Statement of Work

This document contains technical data as defined in the U.S. Government's International Traffic in Arms Regulations (ITAR) section 22 C.F.R. § 120.10. It is NOT authorized for export under any Technical Assistance Agreement Case No. PENDING in furtherance of 22 C.F.R. 125.4 (b)(2). The technical data may not be re-exported, transferred, or diverted from the U.S. without the prior written approval of the Office of Defense Trade Controls.

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**BODY OF
EXHIBIT A
STATEMENT OF WORK
REDACTED**

EXHIBIT B
PAYMENT SCHEDULE
REDACTED

Exhibit C
Boeing/Iridium Satellite Contract
Milestone Schedule

MILESTONE	DESCRIPTION	SCHEDULED COMPLETION DATE
1	System Architecture Validation Review (SAVR)	10/15/02
2	Design Concept Review (DCR)	1/15/03
3	Critical Design Review (CDR)	07/17/03
4	Long Lead Material Purchase to begin construction	12/31/03
5	Acceptance Test and Delivery Complete - 2 SV	12/15/04
6	On-Orbit Acceptance Test Complete - 2 SV	01/17/05
7	Acceptance Test and Delivery Complete - 15 SV	09/30/05
8	Acceptance Test and Delivery Complete - 15 SV	11/30/05
9	On-Orbit Acceptance Test Complete - 15 SV	12/31/05
10	Acceptance Test Complete - 15 SV	01/01/06
11	Long Lead Material Purchase for 14 Flight SV's	02/01/06
12	Acceptance Test and Delivery Complete - 15 SV	02/28/06
13	On-Orbit Acceptance Test Complete - 15 SV	03/31/06
14	Acceptance Test Complete - 15 SV	04/01/06

BOEING/ISLLC PROPRIETARY

The information contained in this Contract is proprietary to Boeing and Iridium Satellite LLC and may not be disclosed or provided to any third party without the express written consent of either Party.

Exhibit C
Boeing/Iridium Satellite Contract
Milestone Schedule

MILESTONE	DESCRIPTION	SCHEDULED COMPLETION DATE
15	Acceptance Test and Delivery Complete - 15 SV	05/31/06
16	On-Orbit Acceptance Test Complete - 15 SV	06/30/06
17	Acceptance Test Complete - 15 SV	07/01/06
18	Acceptance Test and Delivery Complete - 15 SV	08/31/06
19	On-Orbit Acceptance Test Complete - 15 SV	09/30/06
20	Acceptance Test Complete - 15 SV	10/01/06
21	Acceptance Test and Delivery Complete - 15 SV	11/30/06
22	On-Orbit Acceptance Test Complete - 15 SV	12/31/06
23	Acceptance Test Complete - 15 SV	01/01/07
24	Acceptance Test and Delivery Complete - 15 SV	02/28/07
25	On-Orbit Acceptance Test Complete - 15 SV	03/31/07
26	Acceptance Test Complete - 15 SV	04/01/07
27	Acceptance Test and Delivery Complete - 15 SV	05/31/07
28	On-Orbit Acceptance Test Complete - 15 SV	06/30/07

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Exhibit C
Boeing/Iridium Satellite Contract
Milestone Schedule

MILESTONE	DESCRIPTION	SCHEDULED COMPLETION DATE
29	Acceptance Test Complete - 3 SV	07/01/07
30	Acceptance Test and Delivery Complete - 3 SV	08/31/07
31	On-Orbit Acceptance Test Complete - 3 SV	09/30/07

BOEING/ISLLC PROPRIETARY

The information contained in this Contract is proprietary to Boeing and Iridium Satellite LLC and may not be disclosed or provided to any third party without the express written consent of either Party.