

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.

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Washington, D.C. 20004

Benjamin J. Griffin  
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December 19, 2003

RECEIVED

DEC 19 2003

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

VIA HAND DELIVERY AND E-MAIL

Marlene H. Dortch  
Office of the Secretary  
Federal Communications Commission  
The Portals  
445 12th Street, SW  
Room TW-A325  
Washington, D.C. 20554

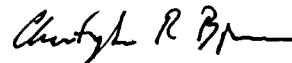
**Re: Bond Filing, Rainbow Ka 2 Satellite, Rainbow SAT-LOA-20030827-00248,  
Call Sign S2554**

Dear Ms. Dortch:

On behalf of Rainbow DBS Company LLC, and pursuant to the procedures set forth in the First Space Station Reform Order, and the Public Notice issued by the International Bureau on August 6, 2003 (DA 03-2602, 18 FCC Rcd 16283), we hereby submit the attached bond in connection with the Rainbow Ka 2 satellite (SAT-LOA-20030827-00248, Call Sign S2554). Once launched, the satellite will operate at 129° W.L. Also attached is a letter from Travelers Casualty and Surety Company of America explaining the nature of the bonds.

As required by the Public Notice and 47 CFR § 1.51(c)(2), we are transmitting five copies of the bond along with an extra copy. Please date-stamp the extra copy and return it with our messenger. If you have any questions regarding the foregoing, please contact the undersigned.

Sincerely,



Benjamin J. Griffin  
Christopher R. Bjornson  
Counsel for Rainbow DBS Company LLC

MINTZ, LEVIN, COHN, FERRIS, GLOVSKY AND POPEO, P.C.

Marlene H. Dortch  
December 19, 2003  
Page 2

cc: Mr. Donald Abelson  
Ms. Jennifer Gilsenan  
Ms. Fern Jarmulnek  
Ms. Jacqueline Ponti  
Ms. Mary Jane Solomon  
Mr. Steven Spaeth  
Mr. Thomas Tycz

WDC 343027v1

**Federal Communications Commission (FCC)**  
**Ka-Band Satellite License Payment Bond**

**BOND NUMBER**

**KNOW ALL PERSONS BY THESE PRESENTS**, That **Rainbow DBS Company LLC** (hereinafter called the Principal), and Travelers Casualty And Surety Company of America, a corporation of the State of Connecticut (hereinafter called the Surety), are held and firmly bound unto the United States Treasury (hereinafter called the Obligee), in the maximum penal sum of **FIVE MILLION DOLLARS (\$5,000,000.00)** to the payment of which sum, well and truly be made, the Principal and Surety bind themselves, and each of their heirs, administrators, executors and assigns, jointly and severally, firmly by these presents. Regardless of the number of years this bond may in force, the aggregate liability of the Surety payable under this bond shall not be cumulative and is limited to the stated maximum penal sum.

**WHEREAS**, the Principal's application, SAT-LOA-20030827-00248 Call Sign S 2554 has been granted by the Federal Communications Commission ("FCC") and the Principal is authorized to launch and operate its Rainbow Ka 2 satellite at 129 degrees West Longitude in accordance with the terms and conditions set forth in its authorization which authorization is hereby referred to and made a part of hereof.

**WHEREAS**, the Principal must file a payment bond with the FCC pursuant to the procedures set forth in Public Notice, DA 03-2602, 18 FCC Rcd 16283 (2003) within 30 days of the application being granted.

**NOW, THEREFORE, THE CONDITION OF THE ABOVE OBLIGATION IS SUCH**, that if the Principal shall well and truly perform each and every obligation in said application at the time and in the manner specified during the term of this bond, then this obligation shall be void, otherwise to remain in full force and effect.

**PROVIDED, HOWEVER**, That this bond is subject to the following conditions:

1. **Rainbow Ka 2** must be constructed, launched, and placed into operation in accordance with the technical parameters and terms and conditions of the grant authorization by the following specified time periods-milestones.
  - a. Execute a binding contract for construction within one year (11/21/2004)
  - b. Complete the Critical Design Review within two years (11/21/2005)
  - c. Commence construction within three years (11/21/2006)
  - d. Launch and begin operations within five years (11/21/2008)
2. Upon completion of each milestone, confirmation of which will be filed with the FCC by Principal, and issuance of a Public Notice by the FCC confirming same, the maximum penal sum of the bond shall be reduced by 25% (\$1,250,000.00) via a rider to this bond sent to the FCC and the Obligee.
3. In the event of a Notice of Default (i.e. an order or public notice revoking Rainbow DBS' authorization) issued by the FCC to the Principal and the Surety regarding the performance of the milestones specified above during the term of this bond, the Surety shall be liable only up to the current outstanding maximum penal sum amount after milestone reductions. It is also understood and unconditionally agreed that upon receipt of such Notice of Default, the sole remedy under this bond will be the tender of payment of the current outstanding maximum penal sum of the bond (taking into account subsequent riders to the maximum penal sum of the bond described above) within thirty (30) business days of such Notice of Default.

Any such Notice of Default made under this Bond shall be made in writing and shall be given by a personal delivery or expedited delivery service, postage pre-paid, addressed to the parties at the addresses specified below:

To the Surety:

Travelers Casualty and Surety Company of America  
One Tower Square,  
3 PB  
Hartford, CT 06183-9062  
Attention: Bond Claim

To the Principal:

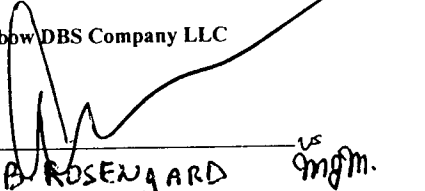
Rainbow DBS Company LLC  
200 Jericho Quadrangle  
Jericho, NY 11753

4. No right of action shall accrue on this bond to or for the use of any person or corporation other than the Obligee named herein or the heirs, executors, administrators or successors of the Obligee.
5. If any conflict or inconsistency exists between the Surety's obligations or undertakings as described in this bond and as described in other documents, statutes or regulations, then the terms of this bond shall prevail.

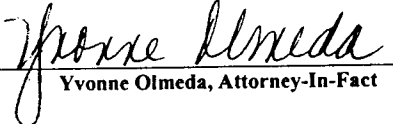
This bond shall be effective on the 19th day of December 2003, and shall cease at such time as the FCC confirms that the Principal has satisfied all of the milestones set forth in paragraph 1.


Signed and sealed this 19<sup>th</sup> day December, 2003.

Principal: Rainbow DBS Company LLC

By:   
ANDREW B. ROSEGDARD <sup>vs</sup> mgm.

Surety: Travelers Casualty & Surety Company of America

By:   
Yvonne Olmeda, Attorney-In-Fact

  
(Witness)

  
(Witness)



## **IMPORTANT DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE**

On November 26, 2002, President Bush signed into law the Terrorism Risk Insurance Act of 2002 (the "Act"). The Act establishes a short-term program under which the Federal Government will share in the payment of covered losses caused by certain acts of international terrorism. We are providing you with this notice to inform you of the key features of the Act, and to let you know what effect, if any, the Act will have on your premium.

Under the Act, insurers are required to provide coverage for certain losses caused by international acts of terrorism as defined in the Act. The Act further provides that the Federal Government will pay a share of such losses. Specifically, the Federal Government will pay 90% of the amount of covered losses caused by certain acts of terrorism which is in excess of Travelers' statutorily established deductible for that year. The Act also caps the amount of terrorism-related losses for which the Federal Government or an insurer can be responsible at \$100,000,000,000.00, provided that the insurer has met its deductible.

Please note that passage of the Act does not result in any change in coverage under the attached policy or bond (or the policy or bond being quoted). Please also note that no separate additional premium charge has been made for the terrorism coverage required by the Act. The premium charge that is allocable to such coverage is inseparable from and imbedded in your overall premium, and is no more than one percent of your premium.

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA  
TRAVELERS CASUALTY AND SURETY COMPANY  
FARMINGTON CASUALTY COMPANY  
Hartford, Connecticut 06183-9062

**POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT**

**KNOW ALL PERSONS BY THESE PRESENTS, THAT TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, corporations duly organized under the laws of the State of Connecticut, and having their principal offices in the City of Hartford, County of Hartford, State of Connecticut, (hereinafter the "Companies") hath made, constituted and appointed, and do by these presents make, constitute and appoint: Robert McDonough, Glenn Pelletiere, Betty Calderon, Debra Deming, Vivian Carti, Hallina Kazmierczak, Camille Maffland, Anthony Cortese, Yvonne Olmeda, Norbert Kruger, Patricia Ng, Francis Santillan, Cynthia Somersall, Sandra Diaz, Elizabeth Marrero, Thomas Rhatigan, of New York, New York, their true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred to sign, execute and acknowledge, at any place within the United States, the following instrument(s): by his/her sole signature and act, any and all bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking and any and all consents incident thereto and to bind the Companies, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of the Companies, and all the acts of said Attorney(s)-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.**

**This appointment is made under and by authority of the following Standing Resolutions of said Companies, which Resolutions are now in full force and effect:**

**VOTED:** That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her.

**VOTED:** That the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary.

**VOTED:** That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary, or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority.

**This Power of Attorney and Certificate of Authority is signed and sealed by facsimile (mechanical or printed) under and by authority of the following Standing Resolution voted by the Boards of Directors of TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, TRAVELERS CASUALTY AND SURETY COMPANY and FARMINGTON CASUALTY COMPANY, which Resolution is now in full force and effect:**

**VOTED:** That the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

HARTFORD, CONNECTICUT 06183

FINANCIAL STATEMENT AS OF DECEMBER 31, 2002

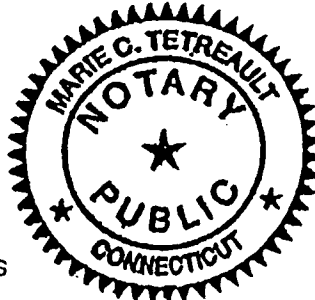
AS FILED IN THE STATE OF NEW YORK

CAPITAL STOCK \$ 6,000,000

ASSETS		LIABILITIES	
CASH & INVESTED CASH	\$ 278,843,790	UNEARNED PREMIUMS	\$ 406,26
BONDS	1,677,446,816	LOSSES	389,26
STOCK	24,767,760	LOSS ADJUSTMENT EXPENSES	81,86
OTHER INVESTED ASSETS	-	ACCRUED EXPENSES AND OTHER	
INVESTMENT INCOME DUE		LIABILITIES	324,69
AND ACCRUED	17,774,761	PROVISION FOR REINSURANCE	27,48
PREMIUM BALANCES	103,906,338	PAYABLE FOR SECURITIES	260,45
REINSURANCE RECOVERABLE	50,822,902		
FEDERAL INC. TAX RECOVERABLE	26,247,667	TOTAL LIABILITIES	1,490,02
RECEIVABLE FOR SECURITIES	6,059,188		
OTHER ASSETS	11,116,982	CAPITAL STOCK	\$ 6,000,000
		PAID IN SURPLUS	303,297,402
		OTHER SURPLUS	397,665,834
		SURPLUS TO POLICYHOLDERS	706,96
<b>TOTAL</b>	<b>\$ 2,196,986,204</b>	<b>TOTAL</b>	<b>\$ 2,196,986,204</b>

STATE OF CONNECTICUT )  
 COUNTY OF HARTFORD )SS.  
 CITY OF HARTFORD )

LAWRENCE A. SIUTA, BEING DULY SWORN, SAYS THAT HE IS VICE PRESIDENT, BOND, OF TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA, AND THAT TO THE BEST OF HIS KNOWLEDGE AND BELIEF, THE FOREGOING IS A TRUE AND CORRECT STATEMENT OF THE FINANCIAL CONDITION OF SAID COMPANY AS OF THE 31ST DAY OF DECEMBER, 2002.



*Lawrence A. Siuta*  
 VICE PRESIDENT, BOND

*Marie C. Tetreault*  
 NOTARY PUBLIC

SUBSCRIBED AND SWORN TO BEFORE ME THIS  
 13TH DAY OF MARCH, 2003



Richard H. Stanziale - Manager  
Travelers Bond -- Commercial Surety  
One Tower Square, 3 PB  
Hartford, CT 06183  
Phone: 860-277-1954  
Fax: 860-277-3940  
Email: rstanzia@travelers.com

December 19, 2003

Ms. Fern Jarmulnek, Deputy Chief  
Ms. Jennifer Gilsonan, Chief, Policy Branch  
and  
Mr. Steven Spaeth, Senior Counsel, Policy Branch  
Satellite Division  
International Bureau  
Federal Communications Commission  
445 Twelfth Street, S.W., 6<sup>th</sup> Floor  
Room 6A767  
Washington, D.C. 20554

Re: Rainbow DBS Company LLC -- FCC Ka-Band Satellite License Payment Bonds (original bonds attached)

Dear Ms. Jarmulnek, Ms. Gilsonan and Mr. Spaeth:

Thank you for taking the time to talk with me and my colleague, Tara Quigley, on December 17, 2003, regarding the above matter. As I mentioned, we serve as the surety company for Rainbow DBS Company LLC.

As quick confirmation, the above referenced bond (s) that we are issuing for Rainbow DBS Company LLC are strictly payment obligations where the sole remedy under such bonds is for the surety to tender payment of part or all of the bond penalty. Under no circumstances will Travelers, as surety, be required to perform either any of the milestones articulated in the bond or any of the performance obligations required pursuant to the Rainbow DBS authorizations. As all parties in the conference call agreed, the bond form makes this very clear.

Once again, thank you for your help in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Rich Stanziale".

Rich Stanziale

Cc: Mark Farina - Travelers Bond  
Tara Quigley - Travelers Bond  
Rob McDonough - Aon