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NOV 28 2007

Federal Communications Commission
Office of the Secretary

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November 28, 2007

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

Re: **Spectrum Five, LLC**
Demonstration of Compliance with Contract Milestone
File Nos. SAT-LOI-20050312-00062, SAT-LOI-20050312-00063
Call Signs: S2667 and S2669

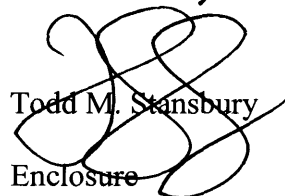
Dear Ms. Dortch:

Spectrum Five, LLC ("Spectrum Five"), by its attorneys, is pleased to confirm that it has contracted for the construction of two satellites within one year of grant as required by Section 25.148(b) of the Commission's rules¹ and the terms of its authorization.² Attached to this letter is a public, redacted version of the construction contract between Spectrum Five and Space Systems/Loral, Inc. for construction of Spectrum Five's two satellites.

Spectrum Five is separately submitting an unredacted version of the contract (including all attachments), with a request that it be treated as confidential and not routinely available for public inspection under Sections 0.457 and 0.459 of the Commissions rules.³

Please contact me if you have any questions.

Respectfully submitted,


Todd M. Stansbury
Enclosure

¹ 47 C.F.R. § 25.148(b).

² *Spectrum Five, LLC, Petition for Declaratory Ruling to Serve the U.S. Market Using Broadcast Satellite Service (BSS) Spectrum from the 114.5° W.L. Orbital Location, Order and Authorization, 21 FCC Rcd 14023 (Nov. 29, 2006).*

³ 47 C.F.R. §§ 0.457 and 0.459.

CONTRACT
Between
Spectrum Five LLC
And
Space Systems/Loral, Inc.
for the
Spectrum Five Satellite Program

November 21, 2007



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PREAMBLE

This Contract is entered into effective as of November 21, 2007 (the “Effective Date of Contract” or “EDC”), by and between Spectrum Five LLC, a limited liability company organized and existing under the laws of Delaware, having an office and place of business at 1776 K Street NW, Suite 200, Washington, DC, 20006 (hereinafter referred to as “Purchaser”), and Space Systems/Loral, Inc., a corporation organized and existing under the laws of the state of Delaware, having an office and place of business at 3825 Fabian Way, Palo Alto, CA 94303-4604 (hereafter referred to as “Contractor”, and Purchaser and Contractor are hereafter referred to collectively as the “Parties” or individually as a “Party”), regarding the Spectrum Five Satellite program.

RECITALS

WHEREAS, Purchaser desires to procure two (2) communications Satellites, Launch Services, a Launch and In-Orbit Insurance Policy, a Dynamic Satellite Simulator, Launch Support Services, Mission Operations Support Services, Training services and other items and services to the extent and subject to the terms and conditions set forth herein, and

WHEREAS, Contractor is willing to furnish such Satellites, to procure on behalf of Purchaser, the Launch Services and to obtain a quote on behalf of Purchaser for a Launch and In-Orbit Insurance Policy, a Dynamic Satellite Simulator, Launch Support Services, Mission Operations Support Services, Training services and other items and services to the extent of and subject to the terms and conditions set forth herein, in consideration of the price and other valid consideration.

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

ARTICLE 1 - DEFINITIONS

Capitalized terms used and not otherwise defined herein shall have the following meanings:

- 1.1 **"Acceptance"** (i) with respect to the Satellite shall be as provided in Article 10, and (ii) with respect to any Deliverable Item other than the Satellite shall be as provided in Article 11.
- 1.2 **"Affiliate"** means, with respect to an entity, any other entity, directly or indirectly, Controlling or Controlled by or under common Control with such first named entity.
- 1.3 **"Article"** means an article of this Contract.
- 1.4 **"Attachment(s)"** means any and all attachment(s) that are attached hereto or to any Exhibit and incorporated herein or therein, as may be amended from time to time in accordance with the terms hereof.
- 1.5 **"Business Day"** means any day other than a Saturday, Sunday or any other day on which national banks are authorized to be closed in New York City, New York.
- 1.6 **"Candidate Launch Vehicles"** has the meaning set forth in Article 6.4.1.
- 1.7 **"CDR"** means Critical Design Review.
- 1.8 **"Contract"** means the terms and conditions (Preamble, Recitals and Articles) of this executed contract, its Exhibits and its Attachment(s) as set forth in Articles 2.1 and 33, as may be amended from time to time in accordance with the terms hereof.
- 1.9 **"Contractor"** has the meaning set forth in the Preamble and any successor or assignee permitted hereunder.
- 1.10 **"Control"** and its derivatives mean, with respect to an entity, (i) the legal, beneficial, or equitable ownership, directly or indirectly, of fifty percent (50%) or more of the capital stock (or other ownership interest if not a corporation) of such entity ordinarily having voting rights, or (ii) the power to direct, directly or indirectly, the management policies of such entity, whether through the ownership of voting stock, by contract, or otherwise.
- 1.11 **"Daily Rate"** has the meaning set forth in Article 13.2.1.
- 1.12 **"Deliverable Data"** means the data and documentation required to be delivered to Purchaser as specified in Article 3.1 and such items that are expressly identified and agreed to by the Parties as Deliverable Data.

- 1.13 **“Deliverable Item”** means any of the items or services listed in Article 3.1, as may be amended from time to time in accordance with the terms hereof and, collectively, the **“Deliverable Items.”**
- 1.14 **“Deliverable Services”** means those services listed in Article 3.1, as may be amended from time to time in accordance with the terms hereof, but subject to Sections 11.4 and 15.1.3.
- 1.15 **“Delivery”** has the meaning set forth in Article 3.2.
- 1.16 **“Delivery Deadline”** has the meaning set forth in Article 13.1.
- 1.17 **“Design Specifications”** means the applicable design specifications for the Satellite set forth in Exhibit B, as such specification may be amended from time to time in accordance with the terms hereof.
- 1.18 **“Dispute”** has the meaning set forth in Article 25.
- 1.19
- 1.20
- 1.21 **“Effective Date of Contract”** or **“EDC”** has the meaning set forth in the Preamble.
- 1.22 **“Essential Obligations”** has the meaning set forth in Article 23.1.1.
- 1.23 **“Exhibit(s)”** means the exhibit(s) identified in Article 2.1 and attached hereto and incorporated herein, as may be amended from time to time in accordance with the terms hereof.
- 1.24 **“Failed Transponder”** has the meaning set forth in Article 13.7.
- 1.25 **“FCC”** means the Federal Communications Commission or any successor agency or governmental authority.
- 1.26
- 1.27 **“Force Majeure”** has the meaning set forth in Article 17.
- 1.28 **“In-Orbit Testing”** or **“IOT”** means the testing of the Satellite in-orbit in accordance with Exhibit D, Satellite Program Test Plan.
- 1.29 **“IOT Complete Date”** has the meaning set forth in Article 10.3.

- 1.30 **“Intellectual Property”** means all designs, methods, concepts, layouts, software, inventions (whether or not patented or patentable), computer chips, processes, technical data and documentation, technical information and drawings, and similar matter in which an Intellectual Property Right subsists.
- 1.31 **“Intellectual Property Claim”** has the meaning set forth in Article 19.
- 1.32
- 1.33 **“Intentional Ignition”** means, with respect to the Satellite, the start of the ignition process of the Launch Vehicle for the purpose of Launch, which is the time at which the command signal is sent to the Launch Vehicle. This definition shall be modified to reflect the definition of “intentional ignition” in the Launch Services Agreement applicable to Launch of the Satellite.
- 1.34 **“Launch”** means, with respect to the Satellite, Intentional Ignition followed by lift-off. This definition shall be modified to incorporate the definition of “launch” from the Launch Services Agreement applicable to the Launch of the Satellite.
- 1.35 **“Launch and In-Orbit Insurance Policy”** has the meaning set forth in Article 32.1.
- 1.36 **“Launch Agency”** means the provider of Launch Services responsible for the Launch of the Satellite.
- 1.37 **“Launch Services”** means those services provided by the Launch Agency for the Launch of the Satellite pursuant to the Launch Services Agreement.
- 1.38 **“Launch Services Agreement”** or **“LSA”** means the contract between the Purchaser and the Launch Agency that provides Launch Services for the Satellite.
- 1.39 **“Launch Site”** means the location that will be used by the Launch Agency for purposes of launching the Satellite, except in the case of Sea Launch it shall mean the home port located in Long Beach, CA.

- 1.40 **“Launch Support” or “Launch Support Services”** means those services specified as such in Exhibit A, Statement of Work to be provided by Contractor in support of Launch Services.
- 1.41 **“Launch Vehicle”** means the launch vehicle used to provide Launch Services for the Satellite.
- 1.42 **“Losses”** has the meaning set forth in Article 20.1.
- 1.43 **“Milestone”** means a portion of the Work upon completion of which a payment is to be made in accordance with Exhibit E, Payment Plan and Termination Liability Schedule.
- 1.44 **“Mission Operations Support Services”** means the orbit-raising, IOT and related services specified as Mission Operations Support Services in Exhibit A, Statement of Work, to be performed by Contractor for the Satellite.
- 1.45
- 1.46
- 1.47 **“Paragraph”** means a paragraph under any Article hereof or section in an Exhibit or Attachment.
- 1.48 **“Partial Loss”** means, with respect to the Satellite on or after Intentional Ignition, that Transponder Failures have occurred, but the Satellite is not a Total Loss.
- 1.49 **“Party” or “Parties”** means Purchaser, Contractor or both, as the context requires.
- 1.50
- 1.51 **“Performance Specification”** means the applicable performance specification for the Satellite or other Deliverable Item, as appropriate, in the context of the applicable clause, as such specification may be amended from time to time in accordance with the terms hereof.
- 1.52 **“Preamble”** means the preamble section of this Contract.
- 1.53 **“PMO”** means the Purchaser’s program management office to be designated by Purchaser.

- 1.54 **“Product Assurance Program Plan”** means the product assurance program plan attached as Exhibit C, as may be amended from time to time in accordance with the terms hereof.
- 1.55 **“Proprietary Information”** has the meaning set forth in Article 28.
- 1.56 **“Purchaser”** has the meaning set forth in the Preamble and any successor or assignee permitted hereunder.
- 1.57 **“Purchaser Delay”** has the meaning set forth in Article 18.
- 1.58
- 1.59 **“Recitals”** means the recitals section of this Contract.
- 1.60 **“Satellite”** means either the communications satellite to be manufactured by Contractor and to be delivered to Purchaser pursuant to this Contract.
- 1.61 **“Satellites”** means collectively the communications satellites to be manufactured by Contractor and to be delivered to Purchaser pursuant to this Contract.
- 1.62 **“Satellite Anomaly”** means, with respect to the Satellite in-orbit, a condition or occurrence that has a material adverse impact on the Satellite Stated Life or performance of such Satellite. For avoidance of doubt, any condition or occurrence that was identified and accepted by Purchaser as the amended Satellite performance baseline at the completion of IOT, shall not be considered a Satellite Anomaly.

- 1.63 **“Satellite Performance Specification”** means the Satellite Performance Specification attached as Exhibit B, as such may be amended from time to time in accordance with the terms hereof.
- 1.64 **“Satellite Pre-Shipment Review”** or **“SPSR”** has the meaning set forth in Article 9.
- 1.65
- 1.66 **“Satellite Stated Life”** or **“Satellite Mission Life”** means, with respect to each Satellite, the contracted for life of _____ for such Satellite as set forth in Paragraph 3.1 of Exhibit B, Satellite Performance Specification, commencing upon the IOT Complete Date for such Satellite.
- 1.67 **“SCF”** means satellite control facility.
- 1.68 **“Selected Launch Vehicle”** has the meaning set forth in Article 6.4.1.
- 1.69
- 1.70
- 1.71 **“Statement of Work”** or **“SOW”** means the statement of work attached as Exhibit A, as may be amended from time to time in accordance with the terms hereof.
- 1.72 **“Technical Assistance Agreement”** has the meaning set forth in section §120.22 of the U.S. International Traffic in Arms Regulations, 22 CFR §120 - 130.
- 1.73 **“Terminated Ignition”** means that, following the time when the electronic signal is sent to command the opening of any first stage propellant valves, the first stage engines of the Launch Vehicle are shut down for any reason before the hold down mechanism is released and the Launch pad is declared safe by the Launch Agency. This definition shall be modified to incorporate the definition of "terminated ignition" from the Launch Service Agreement applicable to the Launch of the Satellite.
- 1.74 **“Total Loss”** means with respect to the Satellite on or after Intentional Ignition (i) the complete loss, destruction or failure of such Satellite, or (ii) more than 75% of the required number of Transponders hereunder have become permanently Failed Transponders.

- 1.75 **“Training”** means the training to be provided by Contractor in accordance with Exhibit A, Statement of Work.
- 1.76 **“Transponder”** means individually those sets of equipment within the communications subsystem of the Satellite that provide a discrete path to receive communications signals from earth, translate and amplify such signals and transmit them to earth as further described in Exhibit B, Satellite Performance Specification. A Transponder shall mean any one of the primary designated Ku-Band Transponders specified in Exhibit B, Satellite Performance Specification.
- 1.77 **“Transponder Failure”** means, at any time after Intentional Ignition, the failure (including permanent intermittent failures) of a Transponder to meet the requirements of Exhibit B, Satellite Performance Specification, provided that, after all reasonable technical alternatives for correcting such failure are examined, the Transponder cannot be used for its intended communications purposes. All available redundant and/or spare components on the Satellite applicable to the Transponder must be used or cease to be available before a Transponder is considered to be a Transponder Failure.
- 1.78 **“TT&C GSE”** means Telemetry Tracking and Command and Ground Support Equipment as further described in Exhibit A, Statement of Work.
- 1.79

ARTICLE 2 - SCOPE OF WORK

2.1 Provision of Services and Materials

Contractor shall provide the necessary personnel, material, services, and facilities to design, manufacture, test and deliver two (2) Satellites, together with all other Deliverable Items referred to in Article 3.1. Contractor shall furnish and perform the Work in accordance with the provisions of this Contract, including the following Exhibits, which are attached hereto and made a part hereof:

- 2.1.1 Exhibit A, Statement of Work, TP-20737, dated November 16, 2007.
- 2.1.2 Exhibit B, Satellite Performance Specification, TP-20737, dated November 16, 2007.
- 2.1.3 Exhibit C, Mission Assurance Plan, E339761, Revision 1, dated September 22, 2006.
- 2.1.4 Exhibit D, Satellite Test Plan, TP-20737, dated November 16, 2007.
- 2.1.5 Exhibit E, Payment Plan and Termination Liability Schedule, dated November 21, 2007.
- 2.1.6 Exhibit F, Dynamic Satellite Simulator Requirements, TP-20737, dated November 16, 2007.

ARTICLE 3 - DELIVERABLE ITEMS AND DELIVERY SCHEDULE

3.1 Deliverable Items

Subject to the other terms and conditions of this Contract, the items to be delivered under this Contract are specified below (each a "Deliverable Item"). Contractor shall deliver such Items on or before the corresponding Delivery dates and at locations specified in Table 1:

Table 1. Deliverable Items.

<u>Item</u>	<u>Description</u>	<u>Delivery Date</u>	<u>Delivery Location</u>
1.	(Satellite)		
2.	(Satellite)		
3.	TT&C GSE (2 sets of basedband equip.)		
4.	Deliverable Data		
5.	Training		
6.	Launch Support Services		
7.	Launch Support Services		
8.	Mission Operations Support Services		
9.	Dynamic Satellite Simulator		
10.	Launch Services		

11. Launch Services

3.2 Delivery

Delivery of each Deliverable Item, except the Satellites and Launch Services procured pursuant to Article 3.3 hereof, shall occur upon arrival of such Deliverable Item at the location required by this Article 3. In the case of each Satellite, Delivery shall occur upon successful completion of Satellite Pre-Shipment Review pursuant to Article 9. Delivery of procured Launch Services shall occur at Launch.

3.3 Procurement of Launch Services

ARTICLE 4 - PRICE

ARTICLE 5 - PAYMENTS

5.1 Payment Plan

Payments by Purchaser to Contractor of the Price set forth in Article 4 pursuant to this Contract shall be in accordance with Exhibit E, Payment Plan and Termination Liability Schedule, as applicable thereto.

5.2 Payment Conditions

5.2.1 Time Payments. All time payments due from Purchaser shall be paid no later than the due date specified in Exhibit E, Payment Plan and Termination Liability Schedule. Contractor shall submit to Purchaser an invoice with reasonable backup documentation (but not including Contractor's detailed rate information) attached with respect to each such payment no later than thirty (30) days prior to such due date. The failure of Contractor to deliver any invoice required hereunder shall not affect Purchaser's obligation hereunder to make any time payments to Contractor.

5.2.5 Non-Warranty and Other Payments. All amounts payable to Contractor with respect to non-warranty work performed pursuant to Article 15.3 or for any other payments to be made pursuant to this Contract and not otherwise subject to Article 5.2.1 through 5.2.3 above shall be paid no later than thirty (30) days after receipt of an invoice with reasonable backup documentation (but not including Contractor's detailed rate information) attached in accordance with the requirements of this Contract.

5.3 Late Payment

5.3.1 Interest. In the event that any payment due under this Contract is not made when due hereunder, without prejudice to the other rights and remedies of the Party entitled to such payment, such Party shall also be entitled to interest at per annum on the unpaid balance thereof from the date such payment is due hereunder until such time as payment is made.

5.4 Invoices

All Invoices required to be delivered by Contractor hereunder shall be submitted by facsimile and air mail to Purchaser (original plus one (1) copy) with reasonable backup documentation (but not including Contractor's detailed rate information) attached, at the following address:

Spectrum Five LLC
1776 K Street NW, Suite 200
Washington, D.C. 20006
Attn: David Wilson
Chief Executive Officer



Fax: 202-332-1246

or to such other address as Purchaser may specify in writing to Contractor.

5.5 Payment Bank

All payments made to Contractor hereunder shall be in U.S. currency and shall be made by electronic funds transfer to the following account:

SPACE SYSTEMS/LORAL, INC.

or such other account or accounts as Contractor may specify in writing to Purchaser at least thirty (30) days prior to the due date of any applicable payment.

ARTICLE 6 - PURCHASER-FURNISHED ITEMS

6.1 Purchaser-Furnished Support

To enable Contractor to perform Launch Support and Mission Operations Support Services, Purchaser shall timely make available to Contractor the Purchaser-furnished equipment, facilities and services described in Paragraph 2.6 of Exhibit A, Statement of Work. Such equipment, facilities and services shall be in good working condition and adequate for the required purposes and, for the Launch of the Satellite hereunder, shall be made available free of charge for Contractor's use during the period commencing on the date established therefor at the technical interchange meeting described in Paragraph 2.6.1 of Exhibit A, Statement of Work and continuing through the IOT Complete Date for the Satellite. Purchaser and Contractor will conduct an interface meeting on the date established therefor at the technical interchange meeting described in Paragraph 2.6.1 of Exhibit A, Statement of Work to confirm the availability and adequacy of such Purchaser-furnished equipment, facilities and services.

6.2 Communications Authorizations

Purchaser shall be responsible, at its cost and expense, for preparing, coordinating and filing all applications, registrations, reports, licenses, permits and authorizations with the FCC if required to do so and with any other national governmental agencies having jurisdiction over Purchaser, for the construction, Launch and operation of the Satellite. Contractor shall provide such cooperation and support as Purchaser may reasonably request in support of Purchaser's preparation, coordination and filing of such applications, registrations, reports, licenses, permits and authorizations. From and after the IOT Complete Date, for any support provided by Contractor under this Article 6.2, Contractor shall be entitled to reimbursement of actual costs reasonably incurred in connection with the provision of such support plus a markup of with such costs and associated markup to be invoiced and paid in accordance with Article 5.

6.3 Radio Frequency Coordination

Purchaser shall be responsible for the timely preparation and submission of all filings required by the International Telecommunication Union (or any successor agency thereto) and all relevant domestic communications regulatory authorities regarding radio frequency and orbital position coordination. Such filings shall be made in accordance

with the Radio Regulations of the International Telecommunication Union (or any successor agency) and the laws and regulations of all domestic communications regulatory authorities having jurisdiction over Purchaser. Contractor shall provide such cooperation and support as Purchaser may reasonably request in support of Purchaser's efforts in the preparation and submission of such filings. From and after the IOT Complete Date, for any support provided by Contractor under this Article 6.3, Contractor shall be entitled to reimbursement of actual costs reasonably incurred in connection with the provision of such support, with such costs plus a markup of with such costs and markup to be invoiced and paid in accordance with Article 5.

6.4 Launch Support Services

6.5 Satellite Performance Data

Commencing with the first full calendar month following the IOT Complete Date, Purchaser shall provide a report to Contractor describing the general health and operating status of the Satellite.



6.6 Late Delivery of Purchaser-Furnished Items or Services

The late delivery of Purchaser-furnished items or services, individually or combined, shall be considered an event beyond the reasonable control of Contractor,

ARTICLE 7 - COMPLIANCE WITH U.S LAWS AND DIRECTIVES

7.1 General

Each Party shall, at its expense, perform its obligations hereunder in accordance with all applicable laws, regulations, and policies of the United States and the conditions of all applicable United States Government approvals, permits, or licenses.

7.2 Compliance with U.S. Export Control Laws

Any obligation of Contractor hereunder to provide hardware, software, Deliverable Data, other technical information, technical services, Training, or any access to facilities to Purchaser and its personnel and/or its representatives shall be subject to applicable U.S. Government export control and security laws, regulations, policies and license conditions. The Parties shall work cooperatively and in good faith to implement this Contract in compliance with such laws, regulations, policies and license conditions. If and to the extent required by U.S. law, Purchaser and its personnel and/or representatives shall enter into U.S. Government-approved agreement(s), including a Technical Assistance Agreement(s), separate from this Contract, governing Contractor's provision of hardware, software, Deliverable Data, other technical information, technical services, Training, access to facilities, or any other activity subject to U.S. export control laws in connection with this Contract.

7.3 Licenses and Other Approvals

Contractor shall timely apply for and, once issued, use its commercially reasonable efforts to maintain U.S. Government export licenses, agreements and other approvals that are required for Purchaser and "foreign person" personnel and/or representatives of Purchaser (including, but not limited to, foreign subsidiaries and related entities of Purchaser involved with the procurement) as well as Purchaser's insurance service providers, to have access to Contractor facilities, hardware, software, Deliverable Data, Training, other technical information or technical services, or any other access subject to U.S. export control laws in connection with the performance of this Contract. A "foreign person" shall be as defined in the U.S. International Traffic in Arms Regulations, 22 C.F.R. §120.16. As early as practicable after EDC, Purchaser shall provide Contractor with a list of countries (if other than the U.S.) of which "foreign person" personnel and/or representatives of Purchaser (including, but not limited to foreign subsidiaries and related entities of Purchaser involved with the procurement) as well as Purchaser's

insurance service providers, if such personnel, representatives, insurance service providers will or may have access to U.S. export-controlled items or services under this Contract. Purchaser shall provide such reasonable cooperation and support as necessary for Contractor to apply for and maintain such required U.S. export licenses, agreements and other approvals, and shall promptly notify Contractor of any occurrence or change in circumstances of which it becomes aware that is relevant to or affects such export licenses, agreements and approvals. Contractor shall include Purchaser (and related entities involved with the procurement) as a named party in any application to the U.S. Government for approval of such export licenses, agreements and other approvals so as to permit Purchaser to be present during any discussion with or meetings where Purchaser's foreign subsidiaries/related entities, or insurance service providers, may receive from, or discuss with, Contractor any export-controlled items and/or services. Contractor shall provide to Purchaser copies of any export licenses and agreements obtained by Contractor in relation to this Contract, including any U.S. Government provisos related to same.

NOTWITHSTANDING ANY PROVISION IN THIS CONTRACT, IN NO EVENT SHALL CONTRACTOR BE OBLIGATED UNDER THIS CONTRACT TO PROVIDE ACCESS TO CONTRACTOR OR SUBCONTRACTOR FACILITIES, PROVIDE ACCESS TO OR FURNISH HARDWARE, SOFTWARE, DELIVERABLE DATA OR OTHER TECHNICAL INFORMATION, OR PROVIDE TECHNICAL/DEFENSE SERVICES OR TRAINING, TO ANY PERSON EXCEPT IN COMPLIANCE WITH APPLICABLE U.S. EXPORT CONTROL LAWS, REGULATIONS, POLICIES AND LICENSE CONDITIONS.

7.4 No Unauthorized Exports or Retransfers

PURCHASER SHALL NOT RE-EXPORT OR RE-TRANSFER TO ANY THIRD PARTY ANY HARDWARE, SOFTWARE, DELIVERABLE DATA, OTHER TECHNICAL INFORMATION OR TECHNICAL SERVICES FURNISHED HEREUNDER, EXCEPT AS EXPRESSLY AUTHORIZED BY THE U.S. GOVERNMENT IN ACCORDANCE WITH THE EXPORT LICENSES, AGREEMENTS AND OTHER APPROVALS REFERENCED IN ARTICLES 7.1 AND 7.2 OR AS OTHERWISE EXPRESSLY AUTHORIZED UNDER U.S. EXPORT CONTROL LAWS.

7.5 Foreign Corrupt Practices Act

Each Party is familiar with and is not in violation of, and, to the knowledge of each Party, has not violated, any provision of the Foreign Corrupt Practices Act of 1977 (P.L. 95-213), as amended (the "FCPA"). Without limiting the generality of the foregoing, each Party represents and warrants that, to its knowledge, neither Party has, nor will it, offer, pay, promise to pay, or authorize the payment of any money, or offer, give, promise to give, or authorize the giving of anything of value to a foreign official (as defined in the FCPA), to any foreign political party or official thereof or any candidate for foreign political office, or to any person, while knowing or being aware of a high probability that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to any foreign official, to any foreign political party or official thereof, or to any candidate for foreign political office, for the purposes of:

(a) influencing any act or decision of such foreign official, political party, party official, or candidate in his or its official capacity, including a decision to fail to perform his or its official functions, or in the case of a foreign official, inducing him to do or omit to do any act in violation of that official's lawful duty;

(b) inducing such foreign official, political party, party official, or candidate to use his or its influence with the foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality, in order to assist the Parties or any other person in obtaining or retaining business for or with, or directing business to, the Parties or any other person; or

(c) securing any improper advantage.

ARTICLE 8 - ACCESS TO WORK-IN-PROGRESS

8.1 Work in Progress at Contractor's Facility

Subject to Article 7, compliance with Contractor's normal and customary safety and security regulations and practices, and the protection of third party proprietary information, Purchaser personnel (and Purchaser's duly appointed consultants and agents) shall be allowed access to all Work at the major subsystem level or higher being performed at Contractor's facility for the Satellite and other Deliverable Items, for the purpose of observing the progress of such Work. Such access shall be upon reasonable prior written notice to Contractor and shall occur during normal working hours or at such other hours as Contractor may agree.

8.2 Work in Progress at Subcontractors' Facilities

To the extent permitted by

and each such subcontractor's safety and security regulations, Contractor shall allow Purchaser's personnel (or Purchaser's duly appointed consultants and agents)

Contractor will use reasonable efforts to obtain permission for such access to subcontractor's facilities.

8.3 On-Site Facilities for Purchaser's Personnel

For the purpose of monitoring the progress of the Work being performed by Contractor hereunder, Contractor shall provide office facilities at or proximate to Contractor's plant for up to two resident Purchaser personnel (and/or Purchaser's duly appointed consultants and agents) through the IOT Complete Date. The office facilities to be provided shall include a reasonable amount of office space, office furniture, local telephone service, reasonable long-distance telephone usage, access to copy machines, facsimile machines, and meeting rooms to the extent necessary to enable Purchaser personnel to monitor the progress of Work under this Contract.

8.4 Purchaser Representatives as Competitors/Foreign Persons

Purchaser shall notify Contractor in writing of the name, title or function, business relationship, employer, citizenship status under U.S. export laws and such other information as may be reasonably requested by Contractor, with respect to each of its intended consultants and agents, and cause each such consultant and agent to:

8.5 Interference with Operations

Purchaser shall exercise its rights under this Article 8 in a manner that does not unreasonably interfere with Contractor's or its subcontractors' normal business operations or Contractor's performance of its obligations under this Contract or any agreement between Contractor and its subcontractors.

ARTICLE 9 - SATELLITE PRE-SHIPMENT REVIEW (SPSR) AND DELIVERY

**ARTICLE 10 - ACCEPTANCE OF SATELLITE, LAUNCH SUPPORT AND MISSION
OPERATIONS SUPPORT SERVICES AND IN-ORBIT TEST**

**ARTICLE 11 - ACCEPTANCE INSPECTION FOR DELIVERABLE ITEMS OTHER THAN THE
SATELLITE**

**ARTICLE 14 - CORRECTIVE MEASURES IN THE SATELLITE AND OTHER DELIVERABLE
ITEMS**

ARTICLE 15 - WARRANTY AND SATELLITE ANOMALIES

ARTICLE 16 - CHANGES/ADDITIONAL WORK

16.1

Purchaser may from time to time, in writing, request a change ("Change") within the general scope of this Contract to:

- (i) Order work in addition to the Work provided for herein ("Additional Work"); or
- (ii) Modify the whole or any part of the Work provided for herein.

In connection with part (i) above, Purchaser

ARTICLE 17 - FORCE MAJEURE

17.1 Force Majeure Defined

Contractor shall not be responsible for late Delivery, delay of the final completion date or nonperformance of its contractual obligations due to Force Majeure. Force Majeure shall be any event beyond the reasonable control of Contractor or its suppliers and subcontractors and shall include, but not be limited to: (1) acts of God; (2) acts of a public enemy; (3) acts of a government in its sovereign or contractual capacity (including any action or inaction affecting the import or export of items); (4) war and warlike events; (5) catastrophic weather conditions such as hurricanes, tornadoes and typhoons; (6) fire, earthquakes, floods, epidemics, quarantine restrictions; (7) strikes, lockouts and other industrial disputes (other than at the facilities of Contractor); (8)

and (11) other unforeseen and extraordinary events including but not limited to causes attributable to a Force Majeure event under Article 17.2 ("Force Majeure"). Contractor shall provide written notice to Purchaser promptly after Contractor's performance has been impacted by the occurrence of such Force Majeure, including a detailed description of the portion of the Work known to be affected by such delay and the likely duration of the delay. Contractor shall also provide Purchaser prompt written notice when the event constituting Force Majeure appears to have ended.

ARTICLE 18 - PURCHASER DELAY OF WORK

If the performance of all or any material part of the Work required of Contractor under this Contract is delayed or interrupted by Purchaser's failure to perform its contractual obligations

ARTICLE 19 - INTELLECTUAL PROPERTY INDEMNITY

19.1 Indemnification

Contractor, at its own expense, hereby agrees to defend or, at Contractor's sole option, to settle, and to indemnify and hold harmless Purchaser, and its respective members (persons holding a membership interest in Purchaser), officers, directors, and employees from and against any claim or suit based on an allegation that the manufacture of any Deliverable Item or any part thereof or the normal intended use, lease or sale of any Deliverable Item or any part thereof infringes any third party's Intellectual Property Right ("Intellectual Property Claim"), and shall pay any royalties and other liabilities adjudicated (or provided in settlement of the matter) to be owing to the claimant, as well as attorneys' fees and other costs and expenses incurred in defending or settling such Intellectual Property Claim. Contractor's obligations under this Article 19.1 shall be subject to the conditions to indemnification set forth in Article 20.3.

19.2 Infringing Equipment

If the manufacture of any Deliverable Item or any part thereof or the normal intended use, lease or sale of any Deliverable Item under this Contract is enjoined as a result of an Intellectual Property Claim or is otherwise prohibited, Contractor shall, at its option and expense (i) resolve the matter so that the injunction or prohibition no longer pertains, (ii) procure for Purchaser the right to use the infringing item, and/or (iii) modify the infringing item (in a manner that meets with Purchaser's approval, not to be unreasonably withheld, delayed or denied) so that it becomes non-infringing while remaining in compliance with the Performance Specification (as such may be modified or waived pursuant to Article 9.4 or Article 11.6, as applicable).

19.3 Combinations and Modifications

Contractor shall have no liability under this Article 19 for any Intellectual Property Claim arising from (i) use of any Deliverable Item in combination with other items not provided, recommended, or approved by Contractor, or (ii) modifications of any Deliverable Item after Delivery by a person or entity other than Contractor unless authorized by written directive or instructions furnished by Contractor to Purchaser under this Contract or (iii) the manufacture, delivery or use of any Deliverable Item in compliance with the design, specification or instructions of Purchaser contrary to those provided by Contractor.

19.4 Sole Remedies

The remedies set forth in this Article 19 are Purchaser's sole and exclusive remedies for, or related to, any Intellectual Property Claim.

ARTICLE 20 - INDEMNITY FOR PERSONAL INJURY AND PROPERTY DAMAGE

ARTICLE 21 - TERMINATION FOR CONVENIENCE

21.1 Reimbursement of Contractor

21.1.1 Right to Terminate. Purchaser may terminate this Contract without cause, in whole, by giving Contractor written notice thirty (30) days prior to the date of such termination;

ARTICLE 22 -

ARTICLE 23 - TERMINATION FOR DEFAULT

ARTICLE 24 - RESERVED

ARTICLE 25 - DISPUTE RESOLUTION

Any dispute, claim, or controversy between the Parties arising out of or relating to this Contract ("Dispute"), including any Dispute with respect to the interpretation, performance, termination, or breach of this Contract or any provision thereof shall be resolved as provided in this Article 25.

25.1 Informal Dispute Resolution

Prior to the initiation of formal dispute resolution procedures, the Parties shall first attempt to resolve their Dispute informally, in a timely and cost-effective manner, as follows:

- A. If, during the course of the Work, a Party believes it has a Dispute with the other Party, the disputing Party shall give written notice thereof, which notice will describe the Dispute and may recommend corrective action to be taken by the other Party. Contractor's program manager shall promptly consult with Purchaser contract manager in an effort to reach an agreement to resolve the Dispute.
- B. In the event that agreement cannot be reached within ten (10) days of receipt of written notice, either Party may request that the Dispute be escalated, and the respective positions of the Parties shall be forwarded to an executive level higher than that under Paragraph A above for resolution of the Dispute.
- C. In the event agreement cannot be reached within twenty (20) days of receipt of written notice, either Party may request that the Dispute be escalated, and the respective positions of the Parties shall be forwarded to the Chief Executive Officer (CEO) or equivalent of each Party for resolution of the Dispute.
- D. In the event (i) agreement cannot be reached as provided in Paragraphs A, B, or C above within a total of thirty (30) days after receipt of the written notice described in Paragraph A above, or (ii) a Party determines in good faith that amicable resolution through continued negotiation of the Dispute does not appear likely, either Party may proceed in accordance with Article 25.2.

25.2 Litigation

If any Dispute arising between the Parties cannot be settled pursuant to Article 25.1

ARTICLE 26 - INTER-PARTY WAIVER OF LIABILITY FOR A LAUNCH

26.1 Launch Services Agreement Inter-Party Waiver of Liability

26.1.1 Inter-Party Waiver. Each Party hereby agrees to be bound by the no-fault, no-subrogation inter-party waiver of liability and related indemnity provisions required by the Launch Services Agreement with respect to the Launch and to cause their respective contractors and subcontractors at any tier (including suppliers of any kind) that are involved in the performance of this Contract and any other person having an interest in the Satellite or any Transponder thereon (including customers of Purchaser) to accede to such waiver and indemnity, which in every case shall include claims against the Launch Agency, either Party and their respective contractors and subcontractors at any tier (including suppliers of any kind) that are involved in the performance of this Contract. The Parties shall execute and deliver any instrument that may be reasonably required by the Launch Agency to evidence their respective agreements to be bound by such waivers.

26.1.2 Waiver of Subrogation. The Parties also shall use reasonable efforts to obtain from their respective insurers, and shall require their respective contractors and subcontractors at any tier (including suppliers of any kind) that are involved in the performance of this Contract and any other person having an interest in the Satellite or any Transponder thereon (including non-consumer customers of Purchaser), to use reasonable efforts to obtain from their respective insurers, an express waiver of such insurers' rights of subrogation with respect to any and all claims that have been waived pursuant to this Article 26.

26.2 Indemnity Related to the Inter-Party Waiver of Liability

Each Party shall indemnify against and hold harmless the other Party and/or its contractors and subcontractors at any tier (including suppliers of any kind) that are involved in the performance of this Contract, from and against any claim made by the indemnifying Party and/or any of its contractors and subcontractors (including suppliers of any kind) that are involved in the performance of the Contract, or by any person having an interest in the Satellite or Transponder thereon (including customers of Purchaser), or by insurer(s) identified in Article 26.1, resulting from the failure of the

indemnifying Party to waive any liability against, or to cause any other person the indemnifying Party is obligated to cause to waive any liability against, the Launch Agency, the other Party or either of their contractors and subcontractors at any tier (including suppliers of any kind) involved in the performance of this Contract; the Parties shall execute and deliver any instrument that may be reasonably required by the Launch Agency to evidence their respective agreements to be bound by such indemnifications.

26.3 Survival of Obligations

The waiver, indemnification and hold harmless obligations provided in this Article 26 shall survive and remain in full force and effect, notwithstanding the expiration or termination of this Contract.

26.4 Third Party Claims Coverage

With respect to third party liability for death or bodily injury of for the loss or damage to property that may be sustained, and any consequences thereof, resulting from, or arising in connection with the performance of the Launch Services for the Satellite, Purchaser shall use reasonable efforts to require the Launch Agency to include Contractor and any other party or entity as Contractor may request (if Purchaser procures the Launch Services) as an additional named insured under all policies of third party claims coverage (or any other program of third party claims coverage, including coverage provided by agencies of any government) that are provided or required to be provided by or through the Launch Agency.

ARTICLE 27 - LIMITATION OF LIABILITY

ARTICLE 28 - DISCLOSURE AND HANDLING OF PROPRIETARY INFORMATION

28.1 Definition of Proprietary Information

For the purpose of this Contract, "Proprietary Information" means all confidential and proprietary information (other than Deliverable Data, which is subject to the provisions of Article 29) in whatever form transmitted, that is disclosed or made available directly or indirectly by such Party (hereinafter referred to as the "disclosing party") to the other Party hereto (hereinafter referred to as the "receiving party") and: (i) is identified as proprietary by means of a written legend thereon or (ii) if disclosed orally, is identified as proprietary at the time of initial disclosure and then summarized in a written document, with the Proprietary Information specifically identified, that is supplied to the receiving party within fifteen (15) days of initial disclosure. Purchaser's Proprietary Information shall (subject to the terms and exceptions set forth in this Article) include, but not be limited to the following: (i) Details of Satellite coverage patterns, such as spot beam locations, numbers, power levels, bandwidth, and operational details involving multi-carrier and single carrier modes provided to Contractor by Purchaser and defined in Section 3 of Exhibit B, Satellite Performance Specification; and (ii) Information provided to Contractor by Purchaser on Satellite system use and operation (including ground network), relating to materials included in Purchaser provisional patent applications which have not been made public, or for the purpose of analyzing Satellite performance. Proprietary Information shall not include any information disclosed by a Party that (i) is already known to the receiving party at the time of its disclosure, as evidenced by written records of the receiving party, without an obligation of confidentiality at the time of disclosure; (ii) is or becomes publicly known through no wrongful act of the receiving party; (iii) is independently developed by the receiving party as evidenced by written records of the receiving party; or (iv) is rightfully obtained by the receiving party from any third party without restriction and without breach of any confidentiality obligation by such third party.

28.2 Terms for Handling and Use of Proprietary Information

Subject to Article 28.1, for a period of ten (10) years after receipt of any Proprietary Information, the receiving party shall not disclose Proprietary Information that it obtains from the disclosing party to any person or entity except its employees, Affiliates (who are not direct competitors of the disclosing party), attorneys, agents and consultants (who are not direct competitors of the disclosing party) who have a need to know, who have

been informed of and have agreed in writing (or are otherwise subject to confidentiality obligations consistent with the obligations set forth herein) to abide by the receiving party's obligations under this Article 28, and who are authorized pursuant to applicable U.S. export control laws and licenses or other approvals to receive such information. The receiving party shall use not less than the same degree of care to avoid disclosure of such Proprietary Information as it uses for its own Proprietary Information of like importance; but in no event less than a reasonable degree of care. Proprietary Information shall be used only for the purpose of performing the obligations under this Contract, or as the disclosing party otherwise authorizes in writing. Each party shall be responsible for the actions of its employees, contractors, or agents regarding the Proprietary Information. Upon request from the disclosing party, the receiving party shall execute or cause its contractors and other agents to execute appropriate non-disclosure agreements in order for the receiving party to comply with all of its obligations hereunder. Each Party shall not alter, modify, delete or efface the other Party's proprietary notices or legends contained in the disclosing party's Proprietary Information.

28.3 Legally Required Disclosures

Notwithstanding the foregoing, in the event that the receiving party becomes legally compelled to disclose Proprietary Information of the disclosing party (including disclosures necessary or in good faith determined to be reasonably necessary under the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended), the receiving party shall, to the extent practicable under the circumstances, provide the disclosing party with written notice thereof so that the disclosing party may seek a protective order or other appropriate remedy, or to allow the disclosing party to redact such portions of the Proprietary Information as the disclosing party deems appropriate. In any such event, the receiving party will disclose only such information as is legally required, and will cooperate with the disclosing party (at the disclosing party's expense) to obtain proprietary treatment for any Proprietary Information being disclosed.

28.4 Return of Confidential Information

Upon the request of the Party having proprietary rights to Proprietary Information, to the extent not necessary for performance under this Contract or operation of the Satellite, the other Party in possession of such Proprietary Information shall promptly return such Proprietary Information (and any copies, extracts, and summaries thereof) to the requesting Party, or, with the requesting Party's written consent, shall promptly destroy

such materials (and any copies, extracts, and summaries thereof), except for one (1) copy which may be retained for legal archive purposes, and shall further provide the requesting Party with written confirmation of same; provided, however, where both Parties have proprietary rights in the same Proprietary Information, a Party shall not be required to return such information to the other Party. Nothing in this Article 28.4 shall require a Party to return or destroy computer files or records containing Proprietary Information but only if and to the extent such files or records were created in the ordinary course of business pursuant to such Party's automatic archiving and back-up procedures for computerized or word-processed records.

28.5 No License

Except as expressly provided in this Contract, nothing in this Contract shall be construed as granting the receiving party whether by implication, estoppel, or otherwise, any license or any right to use any Proprietary Information received from the disclosing party, or use any patent, trademark, or copyright now or hereafter owned or controlled by the disclosing party.

28.6 Irreparable Harm

In the event either Party materially breaches the obligations of this Article 28, the Parties acknowledge that harm from such breach may be irreparable and that the non-breaching Party shall be entitled to seek injunctive relief to prevent such harm.

ARTICLE 29 - RIGHTS IN INTELLECTUAL PROPERTY

ARTICLE 30 - PUBLIC RELEASE OF INFORMATION

30.1 Generally

Either Party intending to disclose publicly, whether through the issuance of news releases, articles, brochures, advertisements, prepared speeches or other information releases, information concerning the financial details of this Contract or Proprietary Information of the other Party regarding the Work shall obtain the prior written approval of the other Party with respect to the content and timing of such issuance, which approval shall not be unreasonably denied, delayed or withheld.

30.2 Exceptions

The obligations set forth in Article 30.1 shall not apply to the following:

- A. information that is publicly available from any governmental agency or that is or otherwise becomes publicly available without breach of this Contract; and
- B. internal publications or releases which are clearly marked as not intended for the public at large.
- C. disclosure required by applicable law or regulation, including without limitation, disclosure required by the Securities and Exchange Commission or the Nasdaq Stock Market or any other securities exchange on which the securities of a Party or its Affiliate is then trading.

ARTICLE 31 - NOTICES

31.1 Written Notification

Each notice or correspondence required or permitted to be given or made hereunder shall be in writing (except where oral notice is specifically authorized) to the respective addresses, facsimile and telephone numbers and to the attention of the individuals set forth below, and any such notice or correspondence shall be deemed given on the earlier to occur of (i) actual receipt, irrespective of whether sent by post, facsimile transmission, overnight courier or other method, and (ii) seven (7) days after mailing by registered or certified mail, return receipt requested, postage prepaid.

In the case of Purchaser:

Spectrum Five LLC
1776 K Street, NW, Suite 200
Washington, D.C. 20006
Attn: David Wilson
Chief Executive Officer

With a copy (which shall not constitute notice)
to:

Wiley Rein LLP
1776 K Street, NW
Washington, D.C. 20006

In the case of Contractor:

Space Systems/Loral, Inc.
3825 Fabian Way
Palo Alto, CA 94303-4697

With a separately delivered copy to:

31.2 Change of Address

Either Party may from time to time change its notice address or the persons to be notified by giving the other Party written notice (as provided above) of such new information and the date upon which such change shall become effective.

ARTICLE 32 - RISK MANAGEMENT SERVICES

ARTICLE 33 - ORDER OF PRECEDENCE

In the event of conflict among the terms of this Contract (Preamble, Recitals, and Articles 1 to 34) and the Exhibits, the following order of decreasing precedence shall apply:

- o Contract Terms and Conditions (Preamble, Recitals and Articles 1 through 34)
- o Exhibit E Payment Plan and Termination Liability Schedule
- o Exhibit A Statement of Work
- o Exhibit B Satellite Performance Specification
- o Exhibit C Mission Assurance Plan
- o Exhibit D Satellite Test Plan
- o Exhibit F Dynamic Satellite Simulator Requirements

ARTICLE 34 - GENERAL

34.1 Assignment

- 34.1.1 **General.** This Contract may not be assigned, either in whole or in part, by either Party without the express written approval of the other Party, not to be unreasonably withheld or delayed.
- 34.1.2 **By Purchaser.** Notwithstanding the foregoing, Purchaser may assign or transfer this Contract or all its rights, duties, or obligations hereunder to (i) to an Affiliate, provided that such Affiliate has sufficient financial resources to fulfill Purchaser's obligations under this Contract, and the net worth of such Affiliate is not less than the net worth of Purchaser immediately prior to such transfer, or (ii) in connection with obtaining financing for the payment of Contractor's invoices and any and all other fees, charges or expenses payable under this Contract under any financing agreement; provided in either case the assignee, transferee, or successor to Purchaser has expressly assumed all the obligations of Purchaser and all terms and conditions applicable to Purchaser under this Contract.
- 34.1.3 **By Contractor.** Notwithstanding the foregoing, Contractor may assign or transfer this Contract or all of its rights, duties, or obligations hereunder to: (i) any Affiliate of Contractor or (ii) any person in connection with the sale, transfer, merger, assignment or other reorganization affecting Contractor or all (or substantially all) of Contractor's assets or capital stock, whether by way of merger, consolidation, or otherwise, provided that in either case (i) or (ii) above, the assignee, transferee, or successor to Contractor has expressly assumed all the obligations of Contractor and all terms and conditions applicable to Contractor under this Contract and has sufficient assets, financial wherewithal, experience, expertise and other resources to perform fulfill the obligations of Contractor under this Contract.
- 34.1.4 **Security Interests.** Either Party, upon prior written notice to the other Party, may grant security interests in its rights hereunder to lenders that provide financing for the performance by such Party of its obligations under this Contract or for the subject matter hereof. In the event that either Party is sold to or merged into another entity, its responsibilities under this Contract shall

not be altered and the successor organization shall be liable for performance of such Party's obligations under this Contract.

34.2 Binding Effect

This Contract shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Assignment of this Contract shall not relieve the assigning Party of any of its obligations nor confer upon the assigning Party any rights except as provided in this Contract.

34.3 Severability

If any provision of this Contract is declared or found to be illegal, unenforceable or void, the Parties shall negotiate in good faith to agree upon a substitute provision that is legal and enforceable and is as nearly as possible consistent with the intentions underlying the original provision. If the remainder of this Contract is not materially affected by such declaration or finding and is capable of substantial performance, then the remainder shall be enforced to the extent permitted by law.

34.4 Waiver of Breach of Contract

A waiver of any provision or any breach of a provision of this Contract shall not be binding upon either Party unless the waiver is in writing, signed by a duly authorized officer of the Party to be bound, as applicable, and such waiver shall not affect the rights of the Party not in breach with respect to any other or future breach. No course of conduct by a Party shall constitute a waiver of any provision or any breach of a provision of this Contract unless a written waiver is executed in accordance with the provisions of this Article 34.4.

34.5 Amendments

This Contract, including any and all its Exhibits, may not be modified except by written instrument of subsequent date signed by a duly authorized officer of Contractor, or another person designated in writing by any such officer to sign such an instrument, and a duly authorized officer of Purchaser, or another person designated in writing by any such authorized officer of Purchaser to sign such an instrument.



34.6 Captions

The captions contained herein are for purposes of convenience only and shall not affect the construction of this Contract.

34.7 Relationships of the Parties

It is expressly understood that Contractor and Purchaser intend by this Contract to establish the relationship of independent contractors only, and do not intend to undertake the relationship of principal and agent or to create a joint venture or partnership or any other relationship, other than that of independent contractors, between them or their respective successors in interest. Neither Contractor nor Purchaser shall have any authority to create or assume, in the name or on behalf of the other Party, any obligation, expressed or implied, or to act or purport to act as the agent or the legally empowered representative of the other Party, for any purpose whatsoever.

34.8 Entire Agreement

This Contract, including all its Exhibits, represents the entire understanding and agreement between the Parties hereto with respect to the subject matter hereof, and supersede all prior negotiations and agreements (specifically the Non Disclosure Agreement dated March 8, 2007 and the Authorization to Proceed (ATP) dated August 16, 2007) with respect to the subject matter hereof, except as specifically provided for in such prior agreements. Any payments made under the ATP shall be deemed as payments made under this Contract. Both Parties agree that Contractor has fully performed its contractual obligations under the ATP and Purchaser has fully paid for such work under the ATP.

34.9 Standard of Conduct

Both Parties agree that all their actions in carrying out the provisions of this Contract shall be in compliance with applicable laws and regulations and neither Party will pay or accept bribes, kickbacks or other illegal payments, or engage in unlawful conduct.

34.10 Construction

This Contract, including all its Exhibits, has been drafted jointly by the Parties and in the event of any ambiguities in the language hereof, there shall be no inference drawn in favor of or against either Party.

34.11 Counterparts

This Contract may be signed in any number of counterparts with the same effect as if the signature(s) on each counterpart were upon the same instrument.

34.12 Applicable Law

This Contract shall be interpreted, construed and governed, and the rights of the Parties shall be determined, in all respects, according to the laws of the State of New York without reference to its conflicts of laws rules.

34.13 Survival

Termination or expiration of this Contract for any reason shall not release either Party from any liabilities or obligations set forth in this Contract that (i) the Parties have expressly agreed shall survive any such termination or expiration or (ii) remain to be performed or by their nature would be intended to be applicable following any such termination or expiration.

34.14 U.N. Convention on the International Sales of Goods

The U.N. Convention on the International Sales of Goods shall not apply or otherwise have any legal effect with respect to this Contract.

34.15 No Third-Party Beneficiaries

This Contract is entered into solely between, and may be enforced only by, Purchaser and Contractor and their permitted assigns, and this Contract shall not be deemed to create any rights in third parties, including suppliers, customers and owners of a Party, or to create any obligations of a Party to any such third parties.

IN WITNESS WHEREOF, the Parties have executed this Contract by their duly authorized officers as of the date set forth in the Preamble.

Space Systems/Loral, Inc.

Spectrum Five LLC

By: *Ron Haley*

By: *R. David Wilson*

Name: RON HALEY

Name: R. David Wilson

Title: CFO

Title: CEO

Exhibits A-F Redacted