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Received

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Policy Branch
International Bureau

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OCT 14 2005

Federal Communications Commission
Office of Secretary

October 14, 2004

Marlene H. Dortch
Secretary
Federal Communications Commission
455 12th Street, S.W.
Washington, D.C. 20554

Re: Star One S.A., File No. SAT-PPL-20050708-00144, Call Sign S2678

Dear Ms. Dortch:

Star One S.A. ("Star One"), in accordance with Section 25.164(c) of the Rules,¹ hereby submits a public redacted version of the contract (and related materials) between Star One and Alcatel Space for the construction of the Star One C2 satellite -- a Brazilian-licensed, hybrid C- and Ku-band satellite -- to be located at the 70° W.L. orbit location. The information is being submitted to demonstrate compliance with the contract execution milestone contained in the declaratory ruling adding the Star One C2 satellite to the Permitted Space Station List.²

In a separate submission, Star One is requesting confidential treatment for the portions of the contract and related materials that were redacted from this public version.³ The redactions are indicated by brackets in the public version.

¹ 47 C.F.R. § 25.164(c).

² See Stamp Grant, SAT-PPL-20050708-00144, at condition (f) (granted Sept. 9, 2005; corrected Sept. 13, 2005) (establishing a contract execution milestone of September 9, 2006).

³ See attached Letter from Philip L. Malet, Counsel to Star One, to Marlene H. Dortch, Secretary, FCC, (Oct. 14, 2005).

Marlene H. Dortch
October 14, 2005
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Please do not hesitate to contact me if you have any questions concerning this submission.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "P. Malet".

Philip L. Malet
Counsel for Star One S.A.

Enclosures

cc:

Andrea Kelly, International Bureau
Robert Nelson, International Bureau



AMENDMENT N° 4 TO THE

SATELLITE EQUIPMENT CONTRACT

BETWEEN

STARONE S.A.

AND

ALCATEL SPACE



Amendment N° 4 to the Satellite Equipment Contract, dated as of January, 14 2005 by and between StarOne S.A. ("StarOne"), a *sociedade anônima* duly organized and existing under the laws of the Federative Republic of Brazil, having its principal offices at Praia de Botafogo, 228 - 3o andar CEP 22359-900, Rio de Janeiro, RJ, Brazil, and Alcatel Space ("Alcatel"), a *société anonyme*, duly organized and existing under the laws of France and having its principal place of business at 12, rue de la Baume, 75008 Paris, France (StarOne and Alcatel, each a "Party" and collectively the "Parties") (the "Fourth Amendment").

WHEREAS, StarOne has signed a contract with Alcatel on May 21, 2003 (the "Contract") for the purchase of a Satellite (the "StarOne C1 Satellite") and Associated Equipment and corresponding services. The Contract has been amended thereafter through Amendments 1, 2 and 3 ; and

WHEREAS, StarOne has signed a contract with Alcatel on May 23, 2003 (the "Ground Equipment Contract") for the purchase of Ground Equipment related to the Star One C1 Satellite ; and

WHEREAS, StarOne has elected, pursuant to Article 2.3 of the Contract, to exercise the Option 19.1, as set forth in Appendix C, for the purchase and in-orbit delivery of an additional Satellite ("Star One C2 satellite")

Capitalized terms used but not otherwise defined herein shall have the meanings set forth to them in the Contract.

NOW, THEREFORE, subject to the terms and conditions herein, Alcatel undertakes to deliver in orbit to StarOne the StarOne C2 Satellite in accordance with and pursuant to the Contract as amended by this Fourth Amendment, and, in consideration of the foregoing, the Parties hereby agree as follows :



I – The following articles are modified by this Fourth Amendment :

ARTICLE 1 Definitions and Interpretation

The following definitions shall be added to Article 1.1 of the Contract :

“StarOne C1 Satellite” means the satellite purchased in accordance with the Contract, as amended by its First, Second and Third amendments”.

“StarOne C2 Satellite” means the follow on satellite, as set forth in Option 19.1 of Appendix C, purchased by StarOne under the Fourth Amendment to the Contract”.

“EDC of the Fourth Amendment” means the date which is defined according to the criteria set forth in Article II of the Fourth Amendment to this Contract.”

ARTICLE 2 Scope of the Contract

The following Article 2.2.1 shall be added to Article 2.2 of the Contract:

“2.2.1 The scope of this Contract in relation to StarOne C2 Satellite does not include [which shall be negotiated and acquired by Star One from Alcatel prior to EDC of the Fourth Amendment in the frame of a dedicated amendment to the Ground Equipment Contract.”

The following Article 2.3.1 shall be added to Article 2.3 of the Contract:

“2.3.1 Star One shall have the right to exercise the Options in relation to the Star One C2 Satellite as described in Appendix C, through amendments pursuant to Article 24.9.”



ARTICLE 3 Description of the Activities

The following Article 3.1.1 shall be added to Article 3.1 of the Contract:

“3.1.1 Appendices A, B, C, E, F and the Technical Specifications shall be applicable to the Activities related the StarOne C2 Satellite, except as otherwise modified, or specifically defined to be valid only for Star One C1 Satellite or Star One C2 Satellite, by the attachments of the Fourth Amendment to this Contract. A new Exhibit A2, named Exhibit A2 for StarOne C2 Satellite Baseline without L-Band_301104, applicable only for StarOne C2 Satellite, has been issued and is attached to the Fourth Amendment to the Contract.”

ARTICLE 4 Prices and Taxes

The following Article 4.1.1 shall be added to Article 4.1 of the Contract:

“4.1.1 In consideration for the Activities in relation to Star One C2 Satellite, StarOne shall pay to Alcatel [

]

[

]

ARTICLE 6 Master Program Schedule and Delivery Schedule

The following Article 6.2.1 shall be added to Article 6.2 of the Contract:

“6.2.1 For the purpose of the Contract, in relation to the StarOne C2 Satellite, the earliest Launch Date currently planned for the StarOne C2 Satellite is estimated to be 6.1-



[Any
modification of this Launch Date shall be notified by Alcatel in writing to Star One and
agreed by the Parties, which shall, for all other purposes of the Contract, continue to be
responsible to meet the mutually agreed revised Master Program Schedule, subject to the
provisions of Articles 16.7 to 16.10. [

]

The following Article 6.3.1 shall be added to Article 6.3 of the Contract:

"6.3.1 [

]

ARTICLE 7 Payment Method

Milestone Payment

The following Article 7.5.1 shall be added to Article 7.5 of the Contract:

"7.5.1 Alcatel shall be entitled to invoice a Milestone Payment related to Star One C2
Satellite when it is completed, in accordance with the payment plan shown in Appendix E
attached to the Fourth Amendment to this Contract."

Orbital Performance Incentives

The following Article 7.10.1 shall be added to Article 7.10 of the Contract:

"7.10.1 [

]

The following Article 7.12.1.1 shall be added to Article 7.12.1 of the Contract:

6.4-



"7.12.1.1 [

]

The following Article 7.12.2.1 shall be added to Article 7.12.2 of the Contract:

"7.12.2.1 Orbital Performance Incentives earned upon In-Orbit Acceptance Review for the StarOne C2 Satellite. After In-Orbit Acceptance Review of the StarOne C2 Satellite, the following shall apply:

(i) [

]

(ii) [

]

[

]

[

]

The following Article 7.12.3.1 shall be added to Article 7.12.3 of the Contract:

"7.12.3.1 [

]

[

]



[
]

The following Article 7.13.1 shall be added to Article 7.13 of the Contract:

"7.13.1 [

]

[]

[Handwritten mark]

[Handwritten mark]



[

]

[

]

ARTICLE 8 Alcatel's liability for Late Delivery

The following Article 8.6.1 shall be added to Article 8.6 of the Contract:

"8.6.1 [

]

ARTICLE 9 Stop Work and Termination for Default

The following Article 9.1.9 shall be added to Article 9 of the Contract:

"9.1.9 [

]

9.1.9.1 [

]

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[

]

a) [

]

b) [

]

[

]

c) [

]

[

]



9.1.9.2 [

]

(a) [

[

[

(b) [

]

(c) [

]



The following Article 9.5 shall be added to Article 9:

“9.5 [

]

9.5.1 [

]

9.5.2 [

]

9.5.3 [

]



ARTICLE 22 - Obligations Of StarOne

The following Article 22.1.1 shall be added to Article 22.1 of the Contract:

"22.1.1 [

]

ARTICLE 24 - Miscellaneous

The following Articles 24.3.3 and 24.3.4 shall be added to section "Guaranty" of the Contract:

"24.3.3 [

]

[

(i) [

]

(ii) [

l.y.

]

(iii) [

]

(iv) [

]

24.3.4

[

]

[

]

[

]

[

]



L. J.



II - Effective Date of the Fourth Amendment

1 The Effective Date of this Fourth Amendment ("EDC of Fourth Amendment") shall be the date when the following conditions have been fulfilled :

a) signature of this Fourth Amendment by both Parties ; and

b) [

]

2 [

]

III - Miscellaneous

1 All terms and conditions of the Contract which are not expressly modified by this Amendment remain in full force and effect for the purpose of the Contract, as amended.

2 References to "Satellite" in the Contract could be references to either the StarOne C1 Satellite or the C2 Satellite, or both, depending on the context in which the term is inserted.

3 StarOne, no later than thirty (30) Working days from the signature of this Fourth Amendment, shall have the option, at its sole discretion, to reject the insertion in the Contract of Article 9.1.9, and its sub-articles, made through this Fourth Amendment. If such is the choice of StarOne, then Article 8.6 (and not Article 8.6.1, as added herein) shall be considered automatically replaced (as if were added to the Contract on the date of signature of this Fourth Amendment) by the following:

L.J.



"8.6 [

[

]

[

]

]

Should StarOne not exercise its aforementioned right on or before thirty (30) Working days from the date of signature of this Fourth Amendment, then Article 9.1.9 and its sub-articles shall be deemed to have been definitely added to the Contract and not Article 8.6 as written above.

4 Within thirty (30) days after the signature of the Fourth Amendment, Alcatel shall make its reasonable efforts to improve the conditions of the Launch Contract. In case of improvement of such conditions, this Fourth Amendment shall be modified to reflect such improved conditions. Otherwise, this Fourth Amendment shall remain unchanged."

5 [

]

A handwritten signature, possibly "L.Y.", written in dark ink.

A handwritten signature, possibly "L.Y.", written in dark ink.



In witness whereof, the Parties hereto have signed two (2) copies of equal content and form, so that they may produce their due and legal results.

Date 14th January 2005

By Star One

Handwritten signature of Carlos Henrique Moreira in black ink.

Carlos Henrique Moreira
Attorney-in-fact

By Alcatel Space

Handwritten signature of Pascale Sourisse in black ink, written over a horizontal line.

Pascale Sourisse
Chairman and CEO

LAURENT MAURLE

By Witnesses



APPENDIX E Satellite of Amendment 4

REDACTED

**EXHIBIT A1:
SYSTEM REQUIREMENTS**

REDACTED

EXHIBIT A2:
COMMUNICATION PAYLOAD
REQUIREMENT

REDACTED

**EXHIBIT A3:
SATELLITE REQUIREMENTS**

REDACTED



**AMENDMENT N° 3 TO THE
SATELLITE EQUIPMENT CONTRACT**

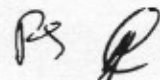
BETWEEN

STAR ONE S.A.

AND

ALCATEL


**STAR ONE
JURÍDICA**



Amendment N° 3 to the Satellite Equipment Contract dated as of January 3rd 2005, between Star One S.A. ("Star One"), a *sociedade anônima* duly organized and existing under the laws of the Federative Republic of Brazil, having its principal offices at Praia de Botafogo, 228 – 3o andar CEP 22359-900, Rio de Janeiro, RJ, Brazil, and Alcatel Space, a *société anonyme* duly organized and existing under the laws of France and having its principal place of business at Rue de la Baume 12, 75008 Paris, France (Star One and Alcatel, each a "Party" and collectively, the "Parties")

WHEREAS, Star One has signed a contract with Alcatel on May 21st, 2003 ("the Contract") for the purchase of the Satellite, such Contract came into force on September 30th, 2003.

WHEREAS, the Parties have signed Amendments 1 and 2, on November 19th 2003 and March 31st 2004, respectively.

WHEREAS, the Parties now desire to amend certain specifications of Exhibit A2 to reflect the modifications agreed between the Parties on September 6th, 2004 with respect to the definitions used for Uplink / DownLink Antenna Isolation and the isolation specifications for the C-band and Ku-band coverage zones, as well as a correction of the X-Band polygon.

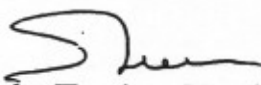
NOW, THEREFORE, the Parties hereby agree as follows:

The Exhibit A2 shall be updated in accordance with the modifications that are annexed in this Amendment 3.

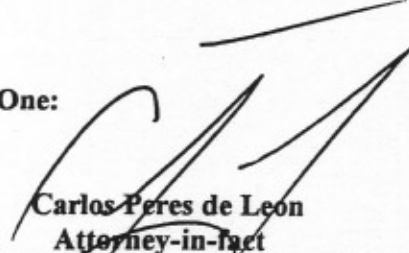
All other terms and conditions of the Satellite Equipment Contract, as modified by the previous Amendments 1 and 2, not affected by this Amendment 3 shall remain applicable in full force and effect.

In witness whereof, the Parties hereto have signed three (3) copies of equal content and form, so that they may produce their due and legal results.

Date: January 3rd, 2005



Carlos Henrique Moreira
Attorney-in fact
President -EMBRATEL

By Star One:


Carlos Peres de Leon
Attorney-in-fact
Procurement Executive Director – EMBRATEL


STAR ONE
JURÍDICA

By ALCATEL:


Pascale Sourisse
Chairman and CEO

STEPTOE & JOHNSON^{LLP}

ATTORNEYS AT LAW

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October 14, 2005

Marlene H. Dortch
Secretary
Federal Communications Commission
The Portals, Room TW-A325
455 12th Street, S.W.
Washington, D.C. 20554

REQUEST FOR CONFIDENTIAL TREATMENT

**Re: Star One S.A.
Petition for Declaratory Ruling -- Contract Execution Milestone
File No. SAT-PPL-20050708-00144, Call Sign S2678**

Dear Ms Dortch:

Pursuant to Sections 0.457 and 0.459 of the Commission Rules governing the submission of confidential materials, 47 C.F.R. §§ 0.457, 0.459, Star One S.A. ("Star One"), respectfully requests that portions of the attached "Amendment No. 4 to the Satellite Equipment Contract between Star One S.A. and Alcatel Space" ("C2 Contract") be treated as confidential and not routinely available to the public.¹ A redacted version of the C2 Contract is being submitted separately for placement in the public file.

¹ The C2 Contract is the result of Star One's exercise of an option in its contract for the construction of the Star One C1 satellite ("C1 Contract"). Confidential and redacted versions of the C1 Contract were submitted to the Commission in July 2005. See *Star One S.A., Petition for Declaratory Ruling*, SAT-PPL-20050706-00143 (filed July 6, 2005); Letter from Alfred Mamlet, Counsel to Star One to Marlene H. Dortch, Secretary, FCC, File No. SAT-PPL-20050706-00143 (July 6, 2005). To the extent necessary, the C2 Contract should be read together with the C1 Contract. A copy of "Amendment No. 3 to the Satellite Equipment Contract between Star One S.A. and Alcatel" is also attached.

Marlene H. Dortch
October 14, 2005
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The C2 Contract contains information relating to the construction of the Star One C2 satellite, licensed by Brazil, to be located at the 70° W.L. orbit location. Star One is submitting the C2 Contract in satisfaction of the contract execution milestone in condition (f) of the above-referenced declaratory ruling and in accordance with Sections 25.137 and 25.164(a) of the Rules.² Star One respectfully requests that the Commission confirm expeditiously that the C2 Contract satisfies the contract execution milestone so that Star One can reduce the amount of its performance bond for the satellite by 25%.³

The redacted information in the C2 Contract qualifies as “commercial or financial information” that “would customarily be guarded from competitors” regardless of whether or not such materials are protected from disclosure by a privilege. *See* 47 C.F.R. § 0.457(d); *see also Critical Mass Energy Project v. NRC*, 975 F.2d 871, 879 (D.C. Cir. 1992) (“[W]e conclude that financial or commercial information provided to the Government on a voluntary basis is ‘confidential’ for the purpose of Exemption 4 if it is of a kind that would customarily not be released to the public by the person from whom it was obtained.”).

In addition, the C2 Contract contains sensitive information that if disclosed could place Star One and Alcatel Space at a competitive disadvantage, including specific information regarding price terms, interest terms, insurance terms and obligations, allocation of liability, and termination provisions, and therefore warrant protection under Section 0.459 of the Rules. Both Star One and Alcatel Space would be placed at a significant disadvantage if these detailed terms of their contract were revealed to competing service providers, who stand to benefit competitively from any knowledge of the redacted commercial terms included in these materials.

In support of this request, and pursuant to Section 0.459(b) of the Rules, Star One hereby states as follows:

1. As noted above, the information for which confidential treatment is sought is being submitted to satisfy Star One’s contract execution milestone under the above-referenced declaratory ruling and the Rules. *See* 47 C.F.R.

² Star One is separately filing an application to modify its authorization to reflect the updated technical parameters of the satellite set forth in the C2 Contract. *See* SAT-MOD-200510__ - ____ (filed Oct. 14, 2005).

³ Star One filed a performance bond for the Star One C2 satellite with the Commission on October 6, 2005, with a face amount of \$3 million. *See* Letter from Philip L. Malet, Counsel for Star One S.A. to Marlene H. Dortch, Secretary, FCC (Oct. 6, 2005).

Marlene H. Dortch
October 14, 2005
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§§ 25.164 and 25.137. A public, redacted version of the C2 Contract is being submitted separately.


3. This information contains extremely sensitive commercial and financial information that customarily would be kept from competitors. Specifically, the information consists of the price terms and commercially sensitive non-price terms agreed upon with Alcatel Space for the construction and purchase of the Star One C2 satellite for Star One. Star One would be severely prejudiced in its ability to compete if specific information regarding Star One's price and critical non-price terms were released to competitors. Moreover, Star One and Alcatel Space would be prejudiced in any future negotiations regarding construction of satellites if the pricing, technical and related information in the C2 Contract were available to other satellite construction companies or to prospective purchasers of satellites.
4. Star One's competitors, as well as the competitors of Alcatel Space, stand to benefit competitively from any knowledge of the price and critical non-price terms contained in the contract between the two parties.
5. Disclosure of the information for which confidential treatment is sought could result in substantial harm to Star One and Alcatel Space by revealing to their competitors, the satellite construction industry and the public Star One's agreed-upon price and critical non-price terms. Such information could be used by the competitors of Star One to develop competing service offerings. *See In re Application of Mobile Communications Holdings, Inc. for Authority to Construct the ELLIPSO Elliptical Orbit Mobile Satellite System*, 10 FCC Rcd. 1547, 1548 (Int'l Bur. 1994) ("buyers receive a clear competitive advantage if they know the prices that other buyers have been charged as a result of individual negotiations."). Moreover, Star One would be prejudiced in any future negotiations regarding construction of satellites if such information were made available to other satellite manufacturers.
6. Star One and Alcatel Space take significant measures to ensure that this information is not disclosed to the public. The attached material for which non-disclosure is sought is not available to the public.
7. Star One requests that the attached material be withheld from disclosure for an indefinite period. Disclosure of this information at any time could jeopardize the competitive position of Star One and Alcatel Space.

Marlene H. Dortch
 October 14, 2005
 Page 4

8. Finally, Star One notes that denying its request that this information be kept confidential would impair the Commission's ability to obtain this type of voluntarily disclosed information in the future. The ability of a government agency to continually obtain confidential information was behind the legislative purpose in developing exemptions from the Freedom of Information Act. *See Critical Mass Energy Project v. NRC*, 975 F.2d 871, 878 (D.C. Cir. 1992) ("Where, however, the information is provided to the Government voluntarily, the presumption is that [the Government's] interest will be threatened by disclosure as the persons whose confidences have been betrayed will, in all likelihood, refuse further cooperation."). The U.S. Court of Appeals for the D.C. Circuit has recognized a "private interest in preserving the confidentiality of information that is provided the Government on a voluntary basis." *Id.* at 879. The Commission should extend a similar recognition to the enclosed materials.

Star One requests that the Commission not release the unredacted C2 Contract if its request for confidentiality is denied in whole or in part without first consulting with Star One.

Respectfully submitted,



Philip L. Malet
 Chung Hsiang Mah
Steptoe & Johnson LLP
 1330 Connecticut Ave., N.W.
 Washington, D.C. 20036
 (202) 429-3000
Counsel for Star One S.A.

Enclosures

cc:
 Andrea Kelly, International Bureau
 Robert Nelson, International Bureau