
From: Moran, Janet [mailto:JMoran@PattonBoggs.com]
Sent: Thursday, June 25, 2009 6:30 PM
To: Roderick Porter; Karl Kensinger
Subject: Supplement to Arqiva Requests for STA; File Nos. SES-STA-20090623-00785 and SES-STA-20090623-00786
Importance: High

Dear Rod and Karl:

As we discussed, we are supplementing the record with respect to two pending Arqiva STA requests (File Nos. SES-STA-20090623-00785 and SES-STA-20090623-00786).

1. If the STA cannot be granted this week, MCG will be required to notify the Australian Securities Exchange (**ASX**) as soon as possible and in advance of the MCG security holder meetings that US regulatory approval has not been obtained and it therefore does not know whether it will be able to satisfy the conditions for court approval on 3 July.
2. The transaction values MCG at A\$7.6b and delays in the completion of the transaction significantly increase the risk that the transaction may fail to complete. These increased risks stem from, among other things, volatile market conditions, the tenor and impact of the resulting press coverage which is likely to be unpredictable and potentially quite adverse to MCG and its security holders and to the opportunity to complete the transaction. Adverse publicity over the timing or certainty of closing a transaction can undermine investor confidence and cause market turbulence. If the transaction does not close, Arqiva's parent company will remain in economic distress, which will impact its ability to invest in Arqiva's workforce, equipment and products, or to expand existing services, in order for Arqiva to competitive.
3. Arqiva (U.S.) represents a very small part of the overall transaction, and news that its status is the only thing standing in the way of the much larger transaction could well adversely impact Arqiva's customers, who rely upon Arqiva as a critical link in their communications infrastructure and therefore would respond negatively to any uncertainty over Arqiva's status. Loss of customer confidence in Arqiva's stability would directly impact its revenues, market image and ability to retain business and potentially equip Arqiva's competitors with a basis for disparaging its reliability and otherwise exploiting the situation to Arqiva's detriment. Such developments could adversely impact Arqiva's economic viability, potentially impairing competition and adversely affecting market stability.

Please let us know if you need any further information. We very much appreciate your assistance in this matter.

Best regards,

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