

**DESCRIPTION OF *PRO FORMA* TRANSACTION  
AND PUBLIC INTEREST STATEMENT**

*Response to Questions 43 and A21*

Inmarsat plc (“Inmarsat”) hereby seeks Commission consent for the *pro forma* transfer of control of Stratos Communications, Inc. and Stratos Offshore Services Company (each a “Licensee” and together, the “Licensees”), which hold the satellite radio earth station licenses listed in the foregoing FCC Form 312. Because the Licensees will remain wholly-owned, indirect subsidiaries of Inmarsat following consummation of the proposed transfer of control, the instant transaction is *pro forma* in nature. The Commission previously has stated that “where no substantial change of control will result from the transfer or assignment, grant of the application is deemed presumptively in the public interest.”<sup>1</sup> Moreover, since approval of the proposed transfer of control of private licenses does not raise competitive concerns, foreign ownership issues, or other matters requiring substantive review by Commission staff, the applicant respectfully requests processing under the Commission’s immediate approval procedures.<sup>2</sup>

The *pro forma* transfer of control will occur as the result of the completion (following the receipt of requisite FCC approvals) of the *second* phase of an internal corporate reorganization of various wholly-owned subsidiaries of Inmarsat, which is being undertaken for banking compliance, tax efficiency and other business reasons. Applications seeking FCC consent to the *first* phase of the reorganization are already pending before the Commission.<sup>3</sup> Phase 2 of the reorganization is anticipated to occur immediately after completion of Phase 1. Phase 2 of the reorganization will involve the following steps:

- By a succession of share for share exchanges, Inmarsat Finance III Limited (“Finance III”) will be passed down from Inmarsat to Inmarsat Holdings Ltd, then to Inmarsat Group Ltd, then to Inmarsat Investments Ltd, and finally to Inmarsat Ventures Ltd. All of these entities already are wholly-owned subsidiaries of Inmarsat, but they currently reside outside of the direct chain of ownership between Inmarsat and the Licensees. Subject to the receipt of prior FCC approvals, this drop-down of Finance III in the Inmarsat corporate structure will occur on or before June 30, 2010. The result of this drop-down is that Finance III will have four intermediate companies between itself and its ultimate parent, Inmarsat.

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<sup>1</sup> *Id.* at 6295.

<sup>2</sup> 47 C.F.R. § 1.948(j)(2).

<sup>3</sup> See FCC File Nos. 0004255150, SES-T/C-20100521-000638, SES-T/C-20100521-000639, SES-T/C-20100521-000642, and SES-T/C-20100521-000643.

- Approximately one week after the drop-down of Finance III described above, CIP Canada Investment Inc. (which, in connection with Phase 1 of the reorganization, will have already been merged with Stratos Wireless, Inc. (“SWI”)) will transfer 100% of the shares of Stratos Holdings Inc. (“Stratos Holdings”) up to CIP UK Holdings Limited (“CIP UK Holdings”). As a result, Stratos Holdings will become a direct subsidiary of CIP UK Holdings, and SWI will be removed from the ownership chain of the Licensees.
- On or around that same day, CIP UK Holdings will transfer 100% of the shares in Stratos Holdings to Inmarsat Group Holdings Inc (“Inmarsat Group Holdings”), in return for which CIP UK Holdings will receive an issue of new common shares of Inmarsat Group Holdings, and will continue to hold 100% of the newly-increased share capital. Inmarsat Group Holdings will then transfer 20% of the shares of Stratos Holdings to Inmarsat US Services LLC (“US Services”), a subsidiary of Inmarsat Group Holdings. Inmarsat US Investments Limited (“US Investments”) will subsequently acquire 100% of a newly issued class of preferred shares in Stratos Holdings, which will be the only preferred shares issued. The net result of this series of transfers, all of which will occur on or around the same day, is that (i) Inmarsat Group Holdings, US Services, and US Investments will be added as intermediate companies between Stratos Holdings and CIP UK Holdings, and (ii) the shares of Stratos Holdings will be held by Inmarsat Group Holdings (80% of the common shares), US Services (20% of the common shares), and US Investments (100% of the newly created class of the preferred shares). Once again, all of these entities are presently, and will continue to be, wholly-owned subsidiaries of Inmarsat. They are simply being moved around within the Inmarsat organizational structure.

Three organizational charts are attached to Exhibit E, reflecting (i) the current ownership chain of the Licensees, (ii) the ownership of the Licensees following consummation of Phase 1 of the reorganization, and (iii) the ownership of the Licensees following consummation of Phase 2 of the reorganization.