

## **CONTROL OF THE LICENSEE AND OWNERSHIP OF TELESAT CORPORATION**

### **I. INTRODUCTION**

This application is one of a series of applications that seeks the FCC's consent to a transfer of control of FCC space station licenses, earth station licenses, and Section 214 authorizations held by Telesat Canada and subsidiaries and affiliates of Telesat Canada. Following the transfer of control, Telesat Canada will become an indirect subsidiary of a new, public company, Telesat Corporation.

Telesat Canada and its subsidiaries and affiliates also have been granted U.S. market access for non-U.S. licensed space stations they operate. Pursuant to Section 25.137 of the Commission's rules,<sup>1</sup> the parties will notify the Commission when control of these space stations has been transferred.

### **II. FCC LICENSES AND AUTHORIZATIONS TO BE TRANSFERRED**

Attachment 1 hereto identifies the FCC licenses and authorizations the control of which is to be transferred.

### **III. THE PARTIES AND THE TRANSACTION**

#### **A. The Transferor –Telesat Canada**

Telesat Canada is headquartered in Ottawa, Canada, and was established in 1969 with an initial mandate to provide satellite services to all parts of Canada. It launched the world's first domestic commercial geostationary satellite in 1972 and, since that time, has evolved into an international, diversified, and end-to-end satellite services company, with an unparalleled reputation for innovation, technical and operational expertise and customer service.

In 2007, Telesat Canada's operations were combined with the satellite operations of Loral Skynet, a U.S. company. As a result, Telesat Canada greatly expanded its coverage and became a global operator authorized by four administrations: Canada, U.S., Brazil and the United Kingdom. Telesat Canada is one of the largest and most successful satellite operators in the world and a leading provider of voice, data, video and IP networking services to the private sector and governments. The company's advanced communications are delivered through its global fleet of satellites. Telesat Canada also operates a robust global teleport and terrestrial infrastructure that is

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<sup>1</sup> 47 C.F.R. § 25.137.

seamlessly integrated with its fleet. A number of satellite operators rely on Telesat Canada's expertise and employ Telesat Canada as a consultant and as a provider of TT&C services.

Telesat Canada is developing an innovative, high throughput, low latency, Low Earth Orbit satellite system that will be seamlessly integrated with on-ground data networks. Telesat Canada's network design incorporates advanced technology including data processing in space, phased array antennas, optical inter-satellite links, and hybrid polar and inclined orbits. The FCC has granted Telesat Canada's petitions for declaratory ruling addressing this system, thereby providing U.S. market access.<sup>2</sup>

### **B. The Transferee –Telesat Corporation (“New Telesat”)**

The Transferee, New Telesat, is a newly-formed Canadian corporation incorporated under the Business Corporations Act of British Columbia and will be listed on the Nasdaq. New Telesat is also considering seeking a listing on a Canadian exchange. New Telesat's headquarters will be the same as Telesat Canada's headquarters, and New Telesat's management team will be the same as Telesat Canada's current management team.

### **C. Other Parties**

The 10 percent or greater equity owners of Telesat Canada are: (i) Red Isle Private Investments Inc. (“Red Isle”), which is a wholly-owned subsidiary of the Public Sector Pension Investment Board (“PSP”), and (ii) Loral Space & Communications Inc. (“Loral”).

Loral is a publicly traded corporation, listed on the Nasdaq. Funds managed by MHR Fund Management LLC (the “MHR Funds”) own approximately 58 percent of the outstanding equity of Loral, and Loral stockholders not affiliated with the MHR Funds (the “Public Stockholders”) own approximately 42 percent of the outstanding equity of Loral.

The 10 percent or greater owners of New Telesat<sup>3</sup> upon consummation of the transfer of control will be (i) PSP, which will hold an approximate 36.7 percent equity

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<sup>2</sup> See FCC call signs S2976 and S2991.

<sup>3</sup> In some cases, in lieu of holding equity directly in New Telesat, shareholders will hold their equity in a limited partnership (“Telesat Partnership”). New Telesat will be the controlling general partner of Telesat Partnership. The limited partnership units of Telesat Partnership, which will be exchangeable for equity in New Telesat, will otherwise have substantially identical economic and voting rights as the shares of New Telesat. Units in Telesat Partnership,

interest in New Telesat through a wholly-owned subsidiary of PSP, Red Isle, a corporation organized under the Canada Business Corporations Act (“CBCA”), and (ii) the MHR Funds, which will have an ownership interest of approximately 36.6 percent. The remaining ownership interests in New Telesat will be held by (i) the Public Stockholders, none of whom will have a 10 percent or greater interest and (ii) Telesat’s management, which collectively will have a 0.7 percent interest.

**PSP** – PSP is a Canadian crown corporation established to invest the amounts transferred by the federal government equal to the proceeds of the net contributions since April 1, 2000, for the pension plans of the Public Service, the Canadian Forces and the Royal Canadian Mounted Police, and since March 1, 2007, for the Reserve Force Pension Plan.<sup>4</sup> PSP manages a diversified global portfolio including stocks, bonds, and other fixed-income securities as well as investments in private equity, real estate, infrastructure, natural resources, and private debt.

**Loral** – Loral Space & Communications Inc. is a publicly-traded Delaware corporation that, together with its subsidiaries, is a leading satellite communications company engaged, through its ownership interests in affiliates, in satellite-based communications services. Loral has one operating segment consisting of satellite-based communications services. Loral participates in satellite services operations primarily through its ownership interest in Telesat, a leading global satellite operator.

**MHR** – Founded in 1996, MHR Fund Management LLC, is a New York-based private equity firm that manages approximately \$5 billion of capital and has holdings in public and private companies across a variety of industries. MHR employs a relationship-based sourcing approach to identify highly complex and compelling investment opportunities. MHR leverages its expertise and

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however, will be subject to substantial limitations on transfer and will not be publicly traded, such that it is expected that units in the Telesat Partnership will generally be exchanged for shares in Telesat Corporation prior to transfer.

<sup>4</sup> PSP is not a representative of the Canadian Government and thus these applications do not implicate Section 310(a) of the Communications Act, 47 U.S.C. § 310(a). In any event, PSP will not have a controlling interest in New Telesat, and Section 310(a) is limited to cases in which there is foreign governmental control. *See, e.g., Applications of Voicestream Wireless Corporation, Powertel, Inc., Transferors, and Deutsche Telekom AG, Transferee, for Consent to Transfer of Control of Licenses and Authorizations Pursuant to Sections 214 and 310(d) of the Communications Act*, 16 FCC Rcd 9779, 9804-09 (2001).

flexible capital to invest successfully across all parts of the capital structure, including debt, equity, structured loans and assets. MHR seeks to add value as a partner, not just as a capital provider, by working collaboratively with its portfolio companies and management teams.

#### **D. Licensees**

Telesat Canada and three of Telesat Canada's indirect, wholly-owned subsidiaries, Skynet Satellite Corporation, Telesat Network Services, Inc., and Infosat Able Holdings, Inc. ("Infosat"),<sup>5</sup> hold the space station licenses, earth station licenses, and Section 214 authorizations for which FCC consent to a transfer of control is requested.

#### **E. The Proposed Transaction**

##### **1. Overview**

The proposed transaction principally will make two changes to Telesat's ownership. First, New Telesat will become the parent company at the top of the ownership structure, and Telesat Canada will become an indirect subsidiary of New Telesat. Second, Loral's owners will hold their equity interest directly in New Telesat, rather than indirectly through Loral. Upon consummation of the transaction, therefore, PSP (through Red Isle), Loral's owners, and Telesat's management will beneficially own all of the equity in New Telesat in approximately the same proportion as their current direct or indirect ownership interest in Telesat Canada.<sup>6</sup>

Attachment 2 hereto is a simplified diagram showing pre-closing and post-closing ownership. Attachment 3 provides detailed information about New Telesat and

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<sup>5</sup> Another indirect subsidiary of Telesat Canada, Able Infosat Communications, Inc. ("Able Infosat"), was sold in 2017. See FCC File No. 0007959674. Because Able Infosat held a common carrier radio license, it previously was necessary, but is no longer necessary, to file a foreign ownership Petition for Declaratory in connection with transfers of control of Telesat Canada. See, e.g., *BCE Inc. and Loral Skynet Corporation Transferors/Assignors and 4363205 Canada Inc., 4363213 Canada Inc., and Skynet Satellite Corporation Transferees/Assignees; For Consent to Transfer of Control or Assignment of Licenses and Authorizations held by Telesat Canada, Able Infosat Communications, Inc., Loral Skynet Corporation, and Loral Skynet Network Services, Inc. and Petitions for Declaratory Ruling that the Transaction Is Consistent with Section 310(b)(4) of the Communications Act*, 22 FCC Rcd 18049, 18054 (2007) ("2007 Grant"), ¶¶ 23-29.

<sup>6</sup> As stated above, in some cases, in lieu of holding equity directly in New Telesat, shareholders will hold their equity in Telesat Partnership.

the entities that will hold direct or indirect 10 percent or greater equity interests in New Telesat upon closing, as required by FCC Form 312 and the application to transfer control of Infosat's international Section 214 authorization.

## **2. Selection of Directors and Voting on Other Matters**

The board of New Telesat will comprise 10 directors. Three directors will be nominated by PSP. Three directors will be nominated by MHR. Three directors will be independent directors nominated by a nominating committee consisting of one PSP nominee, one MHR nominee, and three independent directors. The tenth director will be New Telesat's CEO, who will be selected by the other directors.

PSP (through Red Isle) and the MHR Funds will have aggregate ownership interests of approximately 36.7 percent and 36.6 percent, respectively, in New Telesat.<sup>7</sup> Subject to two exceptions, voting rights for directors and for other shareholder matters will be proportional to ownership interests. First, by virtue of Canadian law PSP's voting interest (through Red Isle) for the selection of directors may be less than its ownership interest, but at closing will be approximately 30 percent. Second, a "golden share" will ensure New Telesat is Canadian controlled.

The golden share will be held by TSX Trust Company ("TSX"), a trust to be organized under the laws of Canada and managed by a Canadian trustee. No economic rights in New Telesat will be associated with the golden share. TSX will vote a sufficient number of shares of New Telesat to ensure that more than 50 percent of the votes are cast by Canadian interests. Since at closing PSP (through Red Isle) which is Canadian, will have an approximately 36.7 percent voting interest for shareholder matters and a voting interest of approximately 30 percent for selection of directors, the maximum possible golden share vote at closing would be approximately 13.3 percent plus one share on shareholder matters and approximately 20 percent plus one share on selection of directors.

## **IV. PUBLIC INTEREST SHOWING**

### **A. Standard of Review**

Pursuant to sections 214(a) and 310(d) of the Act, the Commission must determine whether the proposed transfer of control of licenses and authorizations held by Telesat Canada to New Telesat will serve the public interest, convenience, and

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<sup>7</sup> As stated above, in some cases, in lieu of holding equity directly in New Telesat, shareholders will hold their equity in Telesat Partnership.

necessity.<sup>8</sup> That determination turns first on whether the proposed transaction complies with the specific provisions of the Communications Act, other applicable statutes, and the Commission's rules.<sup>9</sup> If the proposed transaction would not violate a statute or rule, the Commission then weighs any potential public interest harms against the potential public interest benefits of the transaction.<sup>10</sup> Finally, the Commission will consider foreign ownership issues and issues related to national security, law enforcement, foreign policy, and trade policy.<sup>11</sup>

With regard to the first inquiry, the Commission focuses on whether the proposed assignee or transferee is qualified to hold Commission licenses.<sup>12</sup> The Commission does not, in general, reconsider the qualifications of the transferor.<sup>13</sup>

With respect to the balancing of potential harms and benefits, the Commission considers the "broad aims of the Communications Act, which include, among other things, a deeply rooted preference for preserving and enhancing competition in relevant markets, accelerating private sector deployment of advanced services, ensuring a diversity of license holdings, and generally managing the spectrum in the public interest."<sup>14</sup> Further, "the Commission may consider technological and market changes, and the nature, complexity, and speed of change of, as well as trends within, the communications industry,"<sup>15</sup> and "the Commission has long recognized the clear public interest benefits in a license or authorization holder being able to assign or transfer control of its license or authorization freely."<sup>16</sup>

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<sup>8</sup> See 47 U.S.C. §§ 214(a), 310(d).

<sup>9</sup> E.g., *Applications of Liberty Latin America Ltd. And AT&T Inc.; For Consent to the Transfer of Control of the Licenses, Authorizations, and Spectrum Lease held by AT&T Mobility Puerto Rico Inc. and AT&T Mobility USVI Inc. to Liberty Latin America Ltd.*, 2020 FCC FCC Lexis 4158 ¶¶ 9-11 (2020) ("*Liberty Latin America*"); *SkyTerra Communications, Inc. Transferor and Harbinger Capital Partners Funds, Transferee; Applications for Consent to Transfer of Control of SkyTerra Subsidiary, LLC*, 25 FCC Rcd 3059, 3065 (2010) ("*SkyTerra*").

<sup>10</sup> *Id.*

<sup>11</sup> See 2007 *Grant*, ¶ 13.

<sup>12</sup> *Liberty Latin America* ¶ 13; *SkyTerra* at 3067.

<sup>13</sup> *Liberty Latin America* ¶ 14; *SkyTerra* at 3067.

<sup>14</sup> 2007 *Grant*, 22 FCC Rcd at 18053.

<sup>15</sup> *Id.*

<sup>16</sup> *Liberty Latin America* ¶ 11.

This application satisfies these standards. The transferee is qualified to hold Commission licenses; there are no public interest harms to consider; the public interest benefits are substantial; and there are no concerns related to national security, law enforcement, foreign policy, or trade. Accordingly, the parties request that the Commission grant this transfer of control application expeditiously.

### **B. Qualifications of the Transferee**

The Commission reviewed the qualifications of Telesat Canada's owners in 2007, when it approved the transfers of control and assignments of Commission authorizations that gave rise to the current ownership structure.<sup>17</sup> There have been no material changes to these qualifications, which the Commission has reaffirmed numerous times by granting applications involving Telesat Canada.

Telesat Canada's owners will become New Telesat's owners. Accordingly, like Telesat Canada, New Telesat satisfies the Commission's qualification requirements.

### **C. Effect on Competition**

New Telesat and its subsidiaries will operate the same telecommunications businesses Telesat Canada and its subsidiaries presently operate. Accordingly, there will not be any adverse impact on competition in relevant markets.

Rather, the proposed transaction will enhance competition. As a public corporation, New Telesat will have access to new funding sources for the Low Earth Orbit system Telesat Canada has been developing. That system will offer high speed, low latency broadband service in unserved and underserved markets, thereby giving consumers in the United States and worldwide access to new and improved service options and providing competition to other service providers. Facilitating funding for this multi-billion dollar endeavor is unquestionably in the public interest.

### **D. National Security, Law Enforcement, Foreign Policy, and Trade Concerns**

Given that New Telesat's owners will be substantially identical to Telesat Canada's owners, the national security, law enforcement, foreign policy, and trade determinations the Commission made in 2007 with respect to Telesat Canada apply equally to New Telesat. These determinations took into account national security agreements that were entered into with the Executive Branch Agencies, and New Telesat is committed to complying with these agreements. That said, Telesat Canada

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<sup>17</sup> See *2007 Grant* at ¶¶ 14-15.

and New Telesat stand ready to work with the Executive Branch Agencies if additional information is requested or updates to the national security agreements are sought.

#### V. REQUEST FOR APPROVAL OF ADDITIONAL AUTHORIZATIONS

The list of call signs and file numbers included in this application is intended to encompass all of the FCC space station licenses, earth station licenses, and Section 214 authorizations held by Telesat Canada, and its subsidiaries and affiliates, that are subject to the transaction. However, Telesat Canada may now have on file, and may hereafter file, additional requests for authorizations for new or modified facilities that may be granted before the Commission takes action on this application. Accordingly, it is requested that any Commission approval of the application include authority for New Telesat to acquire control of: (1) any authorization issued to Telesat Canada, or any of its subsidiaries or affiliates, while this transaction is pending before the Commission and during the period authorized for consummation of the transaction; (2) any construction permits held by Telesat Canada or its subsidiaries and affiliates that mature into licenses after closing; and (3) any applications that are pending at the time of consummation. Such action would be consistent with prior decisions of the Commission.<sup>18</sup>

Pursuant to Sections 1.927(h), 1.929(a)(2), 1.933(b), and 25.116(b) of the Commission's Rules, and to the extent necessary,<sup>19</sup> the applicants request a blanket exemption from any applicable cut-off rules in cases in which the licensees in this transaction file amendments to pending applications in order to reflect consummation

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<sup>18</sup> See, e.g., *Applications of AT&T Inc. and Cellco Partnership d/b/a Verizon Wireless For Consent to Assign or Transfer Control of Licenses and Authorizations and Modify a Spectrum Leasing Arrangement*, 25 FCC Rcd 8704, 8773 (2010); *Applications of AT&T Inc. and Centennial Communications Corp. For Consent to Transfer Control of Licenses, Authorizations, and Spectrum Leasing Arrangements*, 24 FCC Rcd 13915, 13981 (2009); *Applications of AT&T Wireless Services, Inc. and Cingular Wireless Corp. for Consent to Transfer Control of Licenses and Authorizations*, 19 FCC Rcd 21522, 21626 (2004).

<sup>19</sup> With respect to cut-off rules under Sections 1.927(h) and 1.929(a)(2), the Commission previously has found that the public notice announcing a transaction provides adequate notice to the public with respect to the licenses involved, including for any license modifications pending. In such cases, it was determined that a blanket exemption of the cut-off rules was unnecessary. See *Applications of Ameritech Corp. and GTE Consumer Services Inc. for Consent to Transfer Control of Licenses and Authorizations*, 15 FCC Rcd 6667, 6668 & n.6 (1999); *Applications of Comcast Cellular Holdings, Co. Transferor, and SBC Communications, Inc. Transferee, for Consent to Transfer of Control of Licenses and Authorizations*, 14 FCC Rcd 10604, 10605 & n.3 (1999).



of the proposed transaction. This exemption is requested to prevent amendments to pending applications that report the change in ultimate ownership of the licenses involved in these applications from being treated as major amendments. The nature of the proposed transaction demonstrates that the ownership changes would not be made for the acquisition of any particular pending application, but as part of a larger transaction undertaken for an independent and legitimate business purpose. Grant of this request would be consistent with prior Commission decisions that have routinely granted a blanket exemption in cases involving multiple-license transactions, such as this one.<sup>20</sup>

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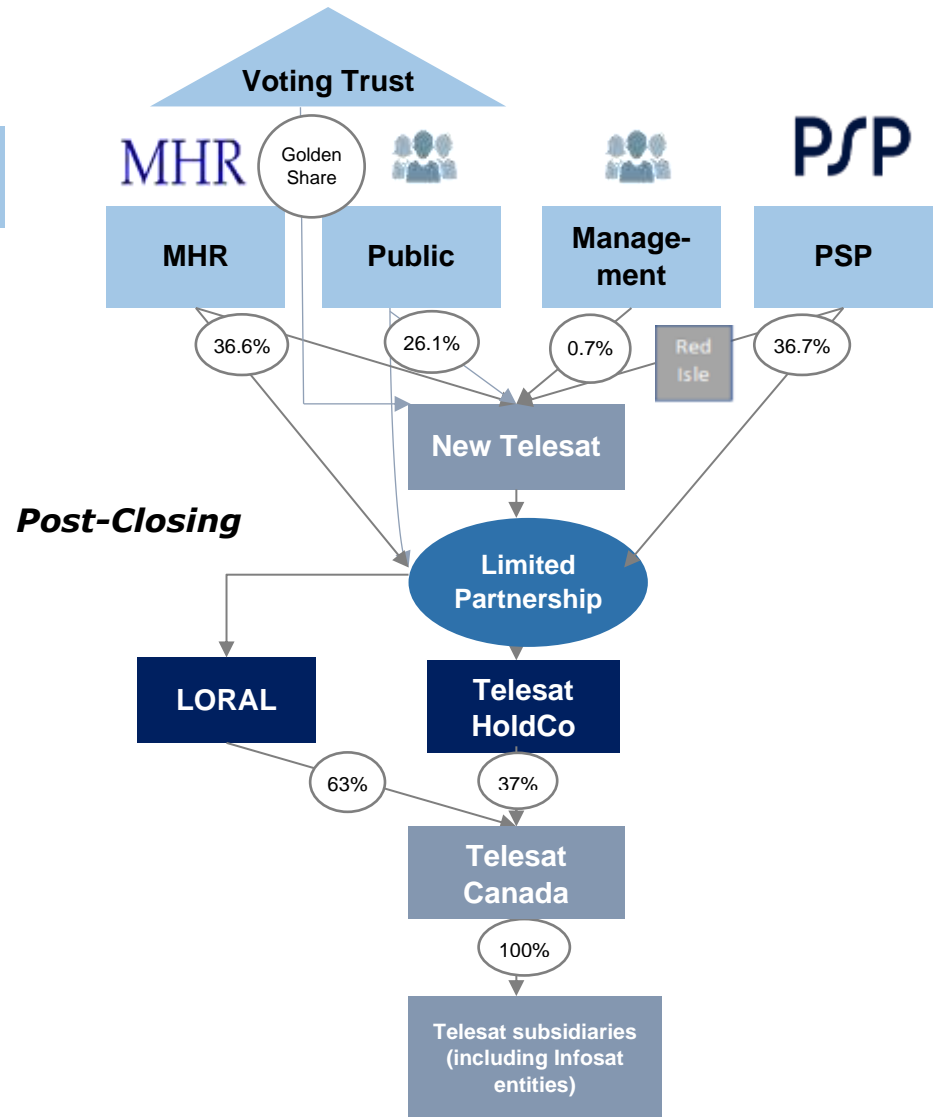
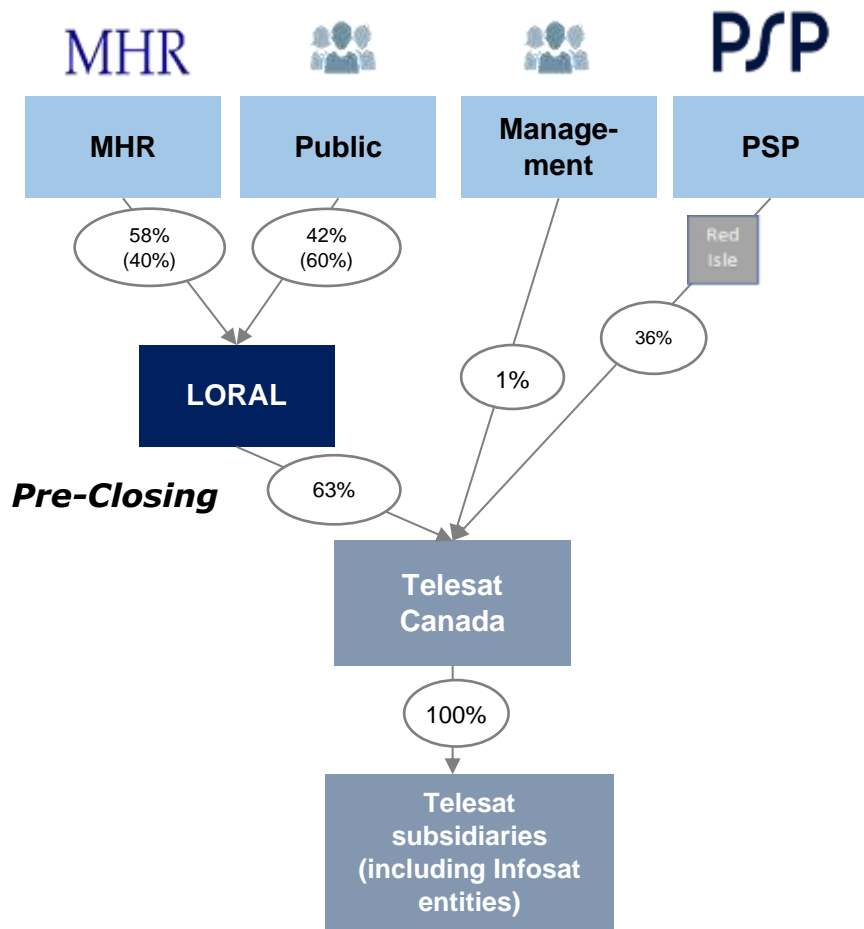
<sup>20</sup> See, e.g., *Applications of PacifiCorp Holdings, Inc., and Century Tel. Enters., Inc. for Consent to Transfer Control of Pac. Telecom, Inc., a Subsidiary of PacifiCorp Holdings, Inc.*, 13 FCC Rcd 8891, 8915-16 (1997); *Applications of NYNEX Corporation Transferor, - and - Bell Atlantic Corporation Transferee, for Consent to Transfer Control of NYNEX Corporation and Its Subsidiaries*, 12 FCC Rcd 19985, 20091-92; *Applications of Craig O. McCaw, Transferor, and American Telephone and Telegraph Company, Transferee, for Consent to the Transfer of Control of McCaw Cellular Communications, Inc. and its Subsidiaries*, 9 FCC Rcd 5836, 5909 & n.300 (1994); *Applications of Pacific Telesis Group Transferor, and SBC Communications, Inc. Transferee, for Consent to Transfer Control of Pacific Telesis Group and its Subsidiaries*, 12 FCC Rcd 2624, 2664 (1997); *Applications for Consent to the Transfer of Control of Licenses and Section 214 Authorizations from Southern New England Telecommunications Corporation, Transferor to SBC Communications, Inc., Transferee*, 13 FCC Rcd 21292, 21317 (1998).

**ATTACHMENT 1**

<b>Licensee Name</b>	<b>Callsign</b>	<b>File Number</b>	<b>Facility</b>	<b>FRN</b>
Telesat	E040285	SES-RWL-20190716-00926	SES	0007547847
Telesat	E110016	SES-LIC-20110215-00153	SES	0007547847
Telesat	E050321	SES-RWL-20201006-01093	VSAT	0007547847
Telesat Network Services, Inc.	E060351	SES-MFS-20150922-00603	SES	0009421561
Telesat Network Services, Inc.	E150128	SES-LIC-20151014-00689	SES	0009421561
Telesat Network Services, Inc.	E150130	SES-LIC-20151016-00712	SES	0009421561
Telesat Network Services, Inc.	E160134	SES-MOD-20200107-00009	SES	0009421561
Telesat Network Services, Inc.	E160135	SES-MOD-20170907-00989	SES	0009421561
Telesat Network Services, Inc.	E980149	SES-RWL-20080722-00961	SES	0009421561
Telesat Network Services, Inc.	E990277	SES-MOD-20181005-03609	SES	0009421561
Telesat Network Services, Inc.	E990278	SES-RWL-20090921-01201	SES	0009421561
Telesat Network Services, Inc.	E990541	SES-MOD-20110629-00764	SES	0009421561
Telesat Network Services, Inc.	KA399	SES-RWL-20181107-03235	SES	0009421561
Telesat Network Services, Inc.	E020101	SES-RWL-20170724-00798	VSAT	0009421561
Telesat Network Services, Inc.	E030029	SES-RWL-20180116-00024	VSAT	0009421561
Skynet Satellite Corporation	E000706	SES-MOD-20181005-03598	SES	0015988918
Skynet Satellite Corporation	E030040	SES-RWL-20180220-00131	SES	0015988918
Skynet Satellite Corporation	E070265	SES-LIC-20071120-01603	SES	0015988918
Skynet Satellite Corporation	S2357	SAT-MOD-20060821-00091	SAT	0015988918
Skynet Satellite Corporation	S2462	SAT-MOD-20171106-00150	SAT	0015988918
Skynet Satellite Corporation	S2933	SAT-MOD-20160225-00022	SAT	0015988918
Infosat Able Holdings, Inc.	E070072	SES-MOD-20110518-00597	VSAT	0015911183
Infosat Able Holdings, Inc.	N/A	ITC-214-19990128-00050	ITC 214	0017670886
Infosat Able Holdings, Inc.	N/A	ITC-214-20000113-00025	ITC 214	0017670886

**ATTACHMENT 2**

# Pre- and Post-Closing Transaction Structure



### ATTACHMENT 3

#### OFFICERS, DIRECTORS, AND 10 PERCENT OWNERSHIP

Transferee Telesat Corporation, the proposed parent company of the licensee, is organized under the laws of Canada with its address at:

Telesat Corporation  
160 Elgin Street  
Suite 2100  
Ottawa, Ontario  
Canada K2P 2P7

#### Post Closing Officers & Directors of Telesat Corporation

**Officers:** Daniel S. Goldberg, President and CEO  
Christopher S. DiFrancesco, Vice President, General Counsel & Secretary  
Andrew Browne, CFO

<b>Directors:</b>	PSP Designees:	Mélanie Bernier Michael Boychuk Guthrie Stewart
	MHR Designees:	Jason A. Caloras Dr. Mark H. Rachesky Michael B. Targoff
	Specially Designated Directors:	Henry Intven Dick Fadden [TBD]
	CEO	Daniel S. Goldberg

The 10 percent or greater owners of transferee Telesat Corporation, upon consummation of the transfer of control, will be:

- (i) Red Isle Private Investments Inc. (“Red Isle”), a Canadian holding company for telecommunications investments through which PSP is investing in New Telesat.
- (ii) The Public Sector Pension Investment Board (“PSP”), a Canadian crown corporation established to invest the amounts transferred by the federal government equal to the proceeds of the net contributions since April 1, 2000, for the pension plans of the Public Service, the Canadian Forces and the Royal Canadian Mounted Police, and since March 1, 2007, for the Reserve Force Pension Plan; and
- (iii) MHR Fund Management LLC (“MHR”), a New York-based private equity firm that manages approximately \$5 billion of capital and has holdings in public and private companies across a variety of industries, and certain of its affiliates, in each case as further described below.

More particulars about each of these entities is shown in the chart below

Shareholder	Citizenship	Address	Participating Equity	Shares with voting rights
Red Isle	Canada, corporation organized under CBCA	1250 René-Lévesque Blvd., West Ste. 1400 Montréal QC Canada H3B 5E9	36.7%	See discussion in Section III.E. 2 of Exhibit
PSP	Canada, Created by Act of Canadian Parliament	1250 René-Lévesque Blvd., West Ste. 1400 Montréal QC Canada H3B 5E9	36.7%	See discussion in Section III.E. 2 of Exhibit
MHR (additional details below)	Delaware, United States. Limited Liability Company	1345 Avenue of the Americas 42nd Floor New York, NY 10105	36.6%	See discussion in Section III.E. 2 of Exhibit
Others			<10%	

### MHR

The name, address, citizenship and principal business of the holders of 10 percent or greater equity or voting interests in New Telesat that are associated with MHR are set forth in the following table. Please note that the percentages in the table apply the FCC’s ownership attribution requirements, which results in double-counting some interests. Specifically, eight MHR limited partnerships and one MHR limited

liability company (collectively, the "Direct MHR Holders") own equity interests in New Telesat directly. One Direct MHR Holder, MHR Institutional Partners III LP, holds a 10 percent or greater interest in New Telesat directly and is shown in the table. Four MHR limited liability companies are the general partners of eight of the Direct MHR Holders and one MHR limited partnership is the sole member of the remaining Direct MHR Holder and each is attributed under the FCC's rules with the ownership interests in New Telesat held by the Direct MHR Holders to which it is the general partner or sole member, as applicable, although it does not hold any interest in New Telesat directly. Two of those limited liability companies, MHR Institutional Advisors II LLC ("Institutional Advisors II") and MHR Institutional Advisors III LLC ("Institutional Advisors III"), are attributed under the FCC's rules with a greater than 10 percent interest in New Telesat and are listed in the chart. One MHR limited liability company, MHRC II LLC ("MHRC II"), is the managing member of Institutional Advisors II and is attributed under the FCC's rules with the ownership interests in New Telesat attributed to Institutional Advisors II. MHR Fund Management LLC ("Fund Management") is an affiliate of, and has an investment management agreement with eight of the Direct MHR Holders and the managing member of the remaining Direct MHR Holder, pursuant to which Fund Management has the power to vote or direct the vote and to dispose or to direct the disposition of the equity interest in New Telesat; accordingly, Fund Management is attributed under the FCC's rules with the total amount of equity interests in New Telesat held by the Direct MHR Holders. Fund Management also has an ownership interest in certain of the Direct MHR Holders. One MHR limited liability company, MHR Holdings LLC ("MHR Holdings"), is the managing member of Fund Management and is attributed under the FCC's rules with the ownership interests in New Telesat attributed to Fund Management. Dr. Mark Rachesky is the managing member of five MHR limited liability companies, including Institutional Advisors III, MHRC II and MHR Holdings, and is attributed under the FCC's rules with the ownership interests in New Telesat attributed to such MHR limited liability companies.

**Ten Percent or Greater Attributable Equity Owners of New Telesat Associated with MHR**

<b>Name</b>	<b>Percentage Interest in New Telesat</b>	<b>Address</b>	<b>Citizenship</b>	<b>Principal Business</b>
Dr. Mark Rachesky (Indirect Attributed Ownership)	36.6%	1345 Avenue of the Americas 42 <sup>nd</sup> Floor New York NY 10105	U.S.	Investor
MHR Holdings LLC (Indirect Attributed Ownership)	36.6%	Same as above	U.S. (Delaware)	Investment Advisor
MHR Fund Management LLC (Indirect Attributed Ownership)	36.6%	Same as above	U.S. (Delaware)	Investment Manager
MHRC II LLC (Indirect Attributed Ownership)	10.7%	Same as above	U.S. (Delaware)	Investment Advisor
MHR Institutional Advisors III LLC (Indirect Attributed Ownership)	15.4%	Same as above	U.S. (Delaware)	Investment Advisor
MHR Institutional Advisors II LLC (Indirect Attributed Ownership)	10.7%	Same as above	U.S. (Delaware)	Investment Advisor
MHR Institutional Partners III LP (Direct Ownership)	15.4%	Same as above	U.S. (Delaware)	Investment Fund