LABORATORY CORP OF AMERICA HOLDINGS
Form 8-K
September 18, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

September 18, 2006
(Date of earliest event reported)

LABORATORY CORPORATION OF AMERICA HOLDINGS

(Exact Name of Registrant as Specified in its Charter)

DELAWARE	**1-11353**	**13-3757370**
(State or other jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

358 SOUTH MAIN STREET, BURLINGTON, NORTH CAROLINA	**27215**	**336-229-1127**
(Address of principal executive offices)	(Zip Code)	(Registrant's telephone number including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

¨ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
¨ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
¨ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
¨ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 7.01. Regulation FD Disclosure

On September 18, 2006, Laboratory Corporation of America® Holdings (LabCorp®) (NYSE: LH), announced that David P. King, Executive Vice President and Chief Operating Officer, Bradford T. Smith, Executive Vice President, Corporate Affairs, and William (Brad) Hayes, Executive Vice President and Chief Financial Officer, are scheduled to speak at the Bank of America 36th Annual Investment Conference in San Francisco, CA. LabCorp s presentation is planned for Tuesday, September 19, 2006 at 9:00 a.m. (Pacific Time).

Exhibits

99.1 Press Release dated September 18, 2006

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Laboratory Corporation of America Holdings
(Registrant)

Date: September 18, 2006

By: /s/Bradford T. Smith
Bradford T. Smith, Executive Vice President
and Secretary

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To the extent that Banc of America Securities LLC and other underwriters do not exercise their over-allotment option to purchase an additional 6,000,000 Units of the Company in the Proposed Offering, the Company's Founder has agreed that they shall return to the Company for cancellation, at no cost, a number of Units held by them necessary for the Founder's shares to represent 17.5% of the Company's outstanding common stock after the consummation of the Proposed Offering and the expiration or exercise of the over-allotment option.

NOTE 4 — DEFERRED OFFERING COSTS

Deferred offering costs consist of legal, accounting and registration fees incurred through the balance sheet date that are directly related to the Proposed Offering and that will be charged to stockholder's equity upon the receipt of the capital raised or charged to operations if the Proposed Offering is not completed.

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NOTE 5 — NOTE PAYABLE

On November 19, 2007, the Company issued a promissory note in the aggregate principal amount of $250,000 to the Founder. The note accrues interest at the rate of 8.5% per annum, is unsecured and the principal is due at the earlier of (i) December 30, 2008, or (ii) the consummation of the offering. The note will be repaid out of the proceeds of the Proposed Offering not being placed in the trust account. Due to the short-term nature of the note, the fair value of the note approximates its carrying amount. The note was repaid to the Founder on February 26, 2008.

NOTE 6 — RELATED PARTY TRANSACTIONS AND COMMITMENTS

The Company presently occupies office space provided by the Founder. The Founder has agreed that, until the Company consummates a Business Combination, it will make such office space, as well as certain office and secretarial services, available to the Company, as may be required by the Company from time to time. The Company has agreed to pay the Founder a total of $10,000 per month for such services commencing on the effective date of the Proposed Offering and will terminate upon the earlier of (i) the consummation of a Business Combination, or (ii) the liquidation of the Company.

On November 13, 2007 the Founder advanced the Company $100 in order to help the Company fund certain start up expenses. The advance was non-interest bearing. The advance was repaid to the Founder on November 28, 2007.

Pursuant to an agreement that the Company's initial stockholder will enter into with the Company and Banc of America Securities LLC, prior to the Proposed Offering, the initial stockholder will waive its right to receive distributions with respect to their Founder's shares upon the Company's liquidation.

The Founder has committed to purchase a total of 8,000,000 Warrants ("Private Placement Warrants") at $1.00 per Warrant (for an aggregate purchase price of $8,000,000) privately from the Company. This purchase will take place simultaneously with the consummation of the Proposed Offering. All of the proceeds received from this purchase will be placed in the Trust Account. The Private Placement Warrants to be purchased by the Founder will be identical to the Warrants underlying the Units being offered in the Proposed Offering except that if held by the Founder or its permitted transferees they are non-redeemable by the Company and can be exercised on a cashless basis. Furthermore, the Founder has agreed that the Private Placement Warrants will not be sold or transferred by it until after the Company has completed a Business Combination, subject to certain limited exceptions. The purchase price of the Private Placement Warrants approximates the fair value of such warrants. However, if it is determined that the fair value of the Private Placement Warrants exceeds the purchase price, the Company will record an expense for the excess of the fair value of the warrants. The Company's stockholders prior to the Proposed Offering and certain employees of Greenhill will be entitled to registration rights with respect to their founder's Units, Private Placement Warrants (or underlying securities), founder's shares, founder's warrants (or underlying securities) and any Units purchased in this offering (including the shares, warrants and underlying shares included therein) by managing directors and senior advisors of Greenhill, pursuant to an agreement to be signed prior to or on the effective date of the Proposed Offering.

NOTE 7 — SUBSEQUENT EVENTS

On January 10, 2008, the Company cancelled 1,725,000 founder's Units, which were surrendered by the founding stockholder in a recapitalization, leaving the founding stockholder with a total of 9,775,000 Units.

On February 1, 2008, the founding stockholder transferred at cost an aggregate of 150,000 of the founder's Units to certain of the Company's directors. These transferred Units have the same terms and are subject to the same

restrictions on transfers as the founder's Units. The restrictions on transfer on these Units will lapse 180 days after the consummation of a Business Combination by the Company (if any) (considered a performance condition). In accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) "Share Based Payments", the restrictions are not being taken into account for purposes of determining the value of the transferred, Units and the Company will record a compensation charge and a related capital contribution (at the time a Business Combination is consummated) for the difference between the consideration received by the founding stockholder in the transfer and the price of $10.00 per unit paid by the public stockholders which acquired Units in our initial public offering. Of the 9,775,000 founder's Units an aggregate of 1,275,000 founder's Units, including the common

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stock included therein, were forfeited on March 27, 2008, following the expiration of the over-allotment option of Banc of America Securities LLC and the other underwriters pursuant to the terms of the applicable purchase agreement so that initial stockholders own approximately 17.5% of the Company's issued and outstanding common stock after the Proposed Offering (excluding any Units that they may purchase in or after the Proposed Offering).

On February 21, 2008, the Company completed its initial public offering of 40,000,000 Units, each consisting of one share of common stock and one warrant exercisable for an additional share of common stock and received proceeds of approximately $376.7 million, net of underwriting discounts and commissions of approximately $23.3 million (including approximately $16.4 million of deferred underwriting discounts and commissions placed in a trust account pending completion of an initial business combination). On February 21, 2008, the Company also consummated a private placement of warrants, to Greenhill & Co., Inc., its founding stockholder for an aggregate purchase price of $8 million. Approximately $400 million of the proceeds of its initial public offering and the concurrent sale of the private placement warrants (including deferred underwriting discounts and commissions of approximately $16.4 million) was placed in a trust account subsequent to the completion of its initial public offering. The Company retained outside of the trust (i) $875,000 to pay offering expenses and (ii) $225,000 to fund additional expenses relating to its initial public offering.

On February 26, 2008, the Company paid off the principal balance of the promissory note including accrued interest in the amount of $5,844, for a total of $255,844.

On February 26, 2008, the Company filed its Amended and Restated Certificate of Incorporation on a current report on Form 8-K with the SEC. Our Amended and Restated Certificate of Incorporation provides, among other things, that our existence will terminate on February 14, 2010, unless, in connection with an initial business combination, our stockholders vote to amend our Certificate of Incorporation to provide perpetual existence.

On March 7, 2008, the Company filed its audited Balance Sheet and accompanying footnotes as of February 21, 2008 on a current report on Form 8-K with the SEC. The audited Balance Sheet reflects receipt of the proceeds upon consummation of the private placement and the initial public offering. A summary of the Balance Sheet is shown below.

Total assets	$ 401,150,170
Total liabilities	12,389,703
Common Stock Subject to Possible Conversion (11,999,999 shares, at conversion value)	119,999,999
Common stock, $0.001 par value	49,775
Authorized 200,000,000 shares	
Issued and outstanding 49,775,000 shares	
(which includes 11,999,999 common shares subject to possible conversion)	
Additional paid-in capital	268,756,360
Deficit accumulated during the development stage	(45,667)
Total stockholders' equity	268,760,468
Total liabilities and stockholders' equity	$ 401,150,170

On March 27, 2008, following the expiration of the over-allotment option of Banc of America Securities LLC and the underwriters of our initial public offering, 1,275,000 founder's Units were forfeited pursuant to the terms of the applicable purchase agreement in order to maintain our initial stockholders' approximately 17.5% ownership interest in our common stock after giving effect to the initial public offering.

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GHL Acquisition Corp.
(a corporation in the development stage)
Condensed Balance Sheets

	September 30, 2008 (unaudited)	December 31, 2007
Assets:		
Current assets:		
Cash and cash equivalents	$ 489,843	$ 184,378
Prepaid expenses	46,667	—
Total current assets	536,510	184,378
Deferred tax asset	135,186	—
Deferred offering costs	—	315,622
Deferred acquisition costs	1,496,935	—
Investments held in trust at broker, including accrued interest of $197,294	402,270,297	—
Total assets	$ 404,438,928	$ 500,000
Liabilities and Stockholders' Equity:		
Current liabilities:		
Note payable — stockholder, including interest	$ —	$ 252,538
Due to related party	9,606	—
Accrued expenses	1,535,533	1,274
Accrued offering costs	—	225,000
Income tax payable	455,500	—
Deferred underwriter commissions	11,288,137	—
Total liabilities	13,288,776	478,812
Common stock subject to possible conversion (11,999,999 shares, at conversion value)	119,999,999	—
Commitments	—	—
Stockholders' Equity:		
Preferred stock, $0.0001 par value		
Authorized 1,000,000 shares		
None issued and outstanding at September 30, 2008 and December 31, 2007, respectively	—	—
Common stock, $0.001 par value		
Authorized 200,000,000 shares		
Issued and outstanding 48,500,000 (including 11,999,999 shares of common stock subject to possible conversion presented above) and 11,500,000 shares at September 30, 2008 and December 31, 2007, respectively	36,500	11,500
Additional paid-in capital	268,569,126	13,500
Retained earnings (deficit) accumulated during the development stage	2,544,527	(3,812)
Total stockholders' equity	271,150,153	21,188
Total liabilities and stockholders' equity	$ 404,438,928	$ 500,000

See notes to the condensed consolidated financial statements (unaudited).

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GHL Acquisition Corp.
(a corporation in the development stage)
Condensed Statements of Income (unaudited)

	Three Months Ended September 30, 2008	Nine Months Ended September 30, 2008	November 2, 2007 (Inception) to September 30, 2008
Formation, general and administrative costs	$ 106,198	$ 300,195	$ 304,007
Loss from operations	(106,198)	(300,195)	(304,007)
Other income — interest	1,943,075	4,936,297	4,936,297
Income before provision for taxes	1,836,877	4,636,102	4,632,290
Provision for income taxes	739,834	2,087,763	2,087,763
Net income	$ 1,097,043	$ 2,548,339	$ 2,544,527
Weighted average shares outstanding — basic and diluted	48,500,000	41,511,588	
Earnings per share — basic and diluted	$ 0.02	$ 0.06	
Proforma weighted average shares outstanding — diluted	62,518,797	53,074,498	
Proforma earnings per share — diluted	$ 0.02	$ 0.05	

See notes to the condensed consolidated financial statements (unaudited).

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GHL Acquisition Corp.
(a corporation in the development stage)
Condensed Statement of Stockholders' Equity

	For the Period November 2, 2007 (Inception) to September 30, 2008				
	Common Stock				
	Shares	Amount	Additional Paid-in Capital	Earnings (Deficit) Accumulated During the Development Stage	Total Stockholders' Equity
Balance at November 2, 2007 (inception)	—$	—$	—$	—$	—
Issuance of units to Founder on November 13, 2007 at approximately $0.002 per unit	11,500,000	11,500	13,500	—	25,000
Net loss during the development stage	—	—	—	(3,812)	(3,812)
Balance at December 31, 2007	11,500,000	11,500	13,500	(3,812)	21,188
Sale of 40,000,000 units through public offering at $10.00 per unit, net of underwriter's discount and offering expenses (including 11,999,999 shares subject to possible conversion)	40,000,000	40,000	380,540,625	—	380,580,625
Sale of private placement warrants	—	—	8,000,000	—	8,000,000
Net proceeds subject to possible conversion of 11,999,999 shares	(11,999,999)	(12,000)	(119,987,999)	—	(119,999,999)
Forfeiture of 1,725,000 by Founder	(1,725,000)	(1,725)	1,725	—	—
Forfeiture of 1,275,000 by Founder	(1,275,000)	(1,275)	1,275	—	—
Net income during the period January 1, 2008 through September 30, 2008	—	—	—	2,548,339	2,548,339
Balance at September 30, 2008 (unaudited)	36,500,001	$ 36,500	$ 268,569,126	$ 2,544,527	$ 271,150,153

See notes to the condensed consolidated financial statements (unaudited).

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GHL Acquisition Corp.
(a corporation in the development stage)
Condensed Statements of Cash Flows (unaudited)

	Nine Months Ended September 30, 2008	November 2, 2007 (Inception) Through September 30, 2008
Cash Flows from Operating Activities:		
Net income	$ 2,548,339	$ 2,544,527
Adjustments to reconcile net income to net cash provided by operating activities:		
Deferred tax asset	(135,186)	(135,186)
Changes in:		
Interest income receivable	(197,294)	(197,294)
Prepaid expenses	(46,667)	(46,667)
Accrued expenses	266,384	267,658
Accrued interest	3,306	5,844
Due to related party	9,606	9,606
Income tax payable	455,500	455,500
Net cash provided by operating activities	2,903,988	2,903,988
Cash Flows from Investing Activities:		
Proceeds invested in Trust Account	(400,000,000)	(400,000,000)
Interest income in Trust Account	(2,073,003)	(2,073,003)
Payment of costs associated with acquisition	(229,060)	(229,060)
Net cash used in investing activities	(402,302,063)	(402,302,063)
Cash Flows from Financing Activities:		
Proceeds from public offering	400,000,000	400,000,000
Proceeds from issuance of private placement warrants	8,000,000	8,000,000
Payment of underwriting fee	(6,900,000)	(6,900,000)
Payment of costs associated with offering	(1,140,616)	(1,231,238)
Proceeds from note payable to related party	—	250,000
Payment of note payable to related party	(255,844)	(255,844)
Proceeds from sale of Founder Units	—	25,000
Net cash provided by financing activities	399,703,540	399,887,918
Net increase in cash	305,465	489,843
Cash and cash equivalents, at beginning of period	184,378	—
Cash and cash equivalents, at end of period	$ 489,843	$ 489,843
Supplemental Disclosure:		
Interest paid	$ 5,844	$ 5,844
Taxes paid	$ 1,767,395	$ 1,767,395
Supplemental Disclosure of Non-Cash Financing Activities:		
Accrued deferred underwriting fees	$ 11,288,137	$ 11,288,137
Accrued deferred acquisition costs	$ 1,267,875	$ 1,267,875

See notes to the condensed consolidated financial statements (unaudited).

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GHL Acquisition Corp.
(a corporation in the development stage)
Notes to Unaudited Financial Statements

Note 1 — Organization Business Operations, and Basis of Presentation

GHL Acquisition Corp. (the "Company"), a blank check company, was incorporated in Delaware on November 2, 2007 for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or other similar business combination with one or more businesses or assets ("Business Combination"). The Company is considered in the development stage and is subject to the risks associated with development stage companies. The Company has selected December 31 as its fiscal year-end.

At September 30, 2008, the Company had not yet commenced any operations. All activity through September 30, 2008 relates to the Company's formation, initial public offering (the "Public Offering") and efforts to identify prospective target businesses as described in Note 3.

The registration statement for the Public Offering was declared effective February 14, 2008. The Company consummated the Public Offering on February 21, 2008 and received gross proceeds of approximately $408,000,000, consisting of $400,000,000 from the Public Offering and $8,000,000 from the sale of the private placement warrants to the Company's founder, Greenhill & Co., Inc. (the "Founder"). Upon the closing of the Public Offering, the Company paid $6,900,000 of underwriting fees and placed $400,000,000 of the total proceeds into a trust account ("Trust Account"). The remaining approximately $1,100,000 was used to pay offering costs. The Company's management has broad discretion with respect to the specific application of the net proceeds of the Public Offering, although substantially all of the net proceeds of the Public Offering are intended to be generally applied toward consummating a Business Combination. Up to $5,000,000 of interest, subject to adjustment, earned on the Trust Account balance may be released to the Company to fund working capital requirements and additional interest earnings may be released to fund income tax obligations. As used herein, "Target Business" shall mean one or more businesses that at the time of the Company's initial Business Combination has a fair market value of at least 80% of the Company's net assets (which includes all of the Company's assets, including the funds held in the Trust Account, less the Company's liabilities (excluding deferred underwriting discounts and commissions of $11,288,137). There is no assurance that the Company will be able to successfully effect a Business Combination.

The Company's efforts in identifying prospective target businesses were not limited to a particular industry. Instead, the Company's intent was to focus on various industries and target businesses in the United States and Europe that may provide significant opportunities for growth.

The $400,000,000 in the Trust Account is invested in assets which all meet the conditions under Rule 2a-7 promulgated under the Investment Company Act of 1940. The placing of funds in the Trust Account may not protect those funds from third party claims against the Company. Although the Company will seek to have all vendors (other than its independent auditors), prospective target businesses and other entities it engages, execute agreements with the Company waiving any right, title, interest or claim of any kind in or to any monies held in the Trust Account, there is no guarantee that they will execute such agreements. The Founder has agreed that it will be liable under certain circumstances to ensure that the proceeds in the Trust Account are not reduced by the claims of target businesses or vendors, service providers or other entities that are owed money by the Company for services rendered to or contracted for or products sold to the Company. There can be no assurance that it will be able to satisfy those obligations.

The Company, after signing a definitive agreement for a Business Combination, is required to submit such transaction for stockholder approval. In the event that (i) a majority of the outstanding shares of common stock sold in the Public

Offering that vote in connection with a Business Combination vote against the Business Combination or the proposal to amend the Company's amended and restated certificate of incorporation to provide for its perpetual existence or (ii) public stockholders owning 30% or more of the shares sold in the Public Offering vote against the Business Combination and exercise their conversion rights described below, the Business Combination will not be consummated. The Company's stockholders prior to the Public Offering ("Insiders") agreed to vote their 8,500,000 Founder's shares of common stock in accordance with the vote of the majority of the shares voted by all the holders of the shares sold in the Public Offering ("Public Stockholders") with respect to any Business

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Combination and related amendment to the Company's amended and restated certificate of incorporation to provide for the Company's perpetual existence. Moreover, the Company's stockholders prior to the Public Offering and the Company's officers and directors agreed to vote any shares of common stock acquired in, or after, the Public Offering in favor of the Business Combination and related amendment to the Company's amended and restated certificate of incorporation to provide for the Company's perpetual existence. After consummation of a Business Combination, these voting provisions will no longer be applicable.

With respect to a Business Combination which is approved and consummated, any Public Stockholder who votes against the Business Combination may demand that the Company convert his or her shares into cash. The per share conversion price will equal the amount in the Trust Account, calculated as of two business days prior to the consummation of the proposed Business Combination, inclusive of any interest, net of any taxes due on such interest and net of franchise taxes, and net of up to $5.0 million in interest income on the Trust Account balance previously released to us to fund working capital requirements, divided by the number of shares of common stock held by Public Stockholders at the consummation of the Public Offering. The Company will proceed with the Business Combination if Public Stockholders owning no more than 30% (minus one share) of the shares sold in the Public Offering both vote against the Business Combination and exercise their conversion rights. Accordingly, Public Stockholders holding 11,999,999 shares sold in the Public Offering may seek conversion of their shares in the event of a Business Combination. Such Public Stockholders are entitled to receive their per share interest in the Trust Account computed without regard to the shares of common stock held by the Company's stockholders prior to the consummation of the initial Public Offering.

The Company's amended and restated certificate of incorporation provides that the Company will continue in existence only until February 14, 2010. If the Company has not completed a Business Combination by such date, its corporate existence will cease and it will liquidate. In the event of liquidation, it is possible that the per share value of the residual assets remaining available for distribution (including Trust Account assets) will be less than the initial public offering price per share in the Public Offering (assuming no value is attributed to the Warrants contained in the units to be offered in the Public Offering discussed in Note 3).

The unaudited financial statements included herein have been prepared from the books and records of the Company pursuant to the rules and regulations of the SEC for reporting on Form 10-Q. The information and note disclosures normally included in complete financial statements prepared in accordance with generally accepted accounting principles in the United States ("GAAP") have been condensed or omitted pursuant to such rules and regulations. The interim financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2007.

The Company's management is responsible for the financial statements included in this document. The Company's interim financial statements are unaudited. Interim results may not be indicative of the results that may be expected for the year. However, the Company believes all adjustments considered necessary for a fair presentation of these interim financial statements have been included and are of a normal and recurring nature.

Note 2 — Summary of Significant Accounting Policies

Cash and Cash Equivalents — The Company considers all highly liquid investments with maturities of three months or less at the date of purchase to be cash equivalents.

Concentration of Credit Risk — The Company maintains its cash and cash equivalents with a financial institution with high credit ratings. At times, the Company may maintain deposits in federally insured financial institutions in excess of federally insured (FDIC) limits. However, management believes that the Company is not exposed to significant

credit risk due to the financial position of the depository institution in which those deposits are held. The Company does not believe the cash equivalents held in trust at broker are subject to significant credit risk as the portfolio is invested in assets, which meet the applicable conditions of 2a-7 of the Investment Company Act of 1940. The Company has not experienced any losses on this account.

Fair Value of Financial Instruments — Cash and cash equivalents, investments held in trust at broker and notes payable are carried at cost, which approximates fair value due to the short-term nature of these investments.

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Use of Estimates — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ materially from those estimates.

Earnings per Share — The Company calculates earnings per share ("EPS") in accordance with FASB Statement No. 128, "Earnings per Share" ("SFAS 128"). Basic and diluted EPS is calculated by dividing net income by the weighted-average number of shares of common stock outstanding during the period.

Warrants issued by the Company in the Public Offering and private placement are contingently exercisable at the later of one year from the date of the offering and the consummation of a business combination, provided, in each case, there is an effective registration statement covering the shares issuable upon exercise of the warrants. Hence, these are presented in the proforma diluted EPS.

Proforma diluted EPS includes the determinants of basic and diluted EPS plus to the extent dilutive, the incremental number of shares of common stock to settle outstanding common stock purchase warrants, as calculated using the treasury stock method.

Income Taxes — The Company complies with the Financial Accounting Standards Board ("FASB") issued FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes," an interpretation of FASB Statement No. 109 ("FIN 48"), which provides criteria for the recognition, measurement, presentation and disclosure of uncertain tax position. A tax benefit from an uncertain position may be recognized only if it is "more likely than not" that the position is sustainable based on its technical merits. The Company filed its first income tax return on September 15, 2008. Management does not plan on taking any uncertain tax positions when filing the Company's tax returns consequently the Company has not recognized any liabilities under FIN 48. The Company will recognize interest expense and penalties related to uncertain tax positions as an operating expense in its condensed statements of income.

Deferred income taxes are provided for the differences between bases of assets and liabilities for financial reporting and income tax purposes. A valuation allowance is established when necessary to reduce deferred tax assets to the amount expected to be realized.

The Company recorded a deferred income tax asset for the tax effect of temporary differences aggregating $135,186 at September 30, 2008. The Company has not provided a valuation allowance at September 30, 2008, since the Company is negotiating a proposed Business Combination as disclosed in Note 8. At December 31, 2007, the deferred income tax asset for the tax effect of temporary differences amounted to $433. In recognition of the uncertainty regarding the ultimate amount of income tax benefits to be derived, the Company has recorded a full valuation allowance at December 31, 2007.

The effective tax rate differs from the statutory rate of 34% due to the provision for state and local taxes and the establishment of the valuation allowance.

New Accounting Pronouncements — Effective January 1, 2008, the Company adopted Statement of Financial Accounting Standards ("SFAS") No. 157, "Fair Value Measurements" ("SFAS 157"), for assets and liabilities measured at fair value on a recurring basis. SFAS 157 accomplished the following key objectives:

- Defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date;

- Establishes a three-level hierarchy ("valuation hierarchy") for fair value measurements;
- Requires consideration of the Company's creditworthiness when valuing liabilities; and
- Expands disclosures about instruments measured at fair value.

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The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The three levels of the valuation hierarchy and the distribution of the Company's financial assets within it are as follows:

- Level 1 — inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

- Level 2 — inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the assets or liability, either directly or indirectly, for substantially the full term of the financial instrument.

- Level 3 — inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The Company's assets carried at fair value on a recurring basis are its investments in money market securities under the caption "Investments held in trust at broker". The securities have been classified within level 1, as their valuation is based on quoted prices for identical assets in active markets.

The estimated fair value at September 30, 2008 including accrued interest is as follows:

	Level 1	Level 2	Level 3	Balance as of September 30, 2008
Investments	$ 402,270,297	$ —	$ —	402,270,297
Total investments	$ 402,270,297	$ —	$ —	402,270,297

In February 2007, the FASB issued SFAS No. 159, "Fair Value Option for Financial Assets and Financial Liabilities — Including an amendment of FASB Statement No. 115" ("SFAS 159"). SFAS 159 permits an entity to elect fair value as the initial and subsequent measurement attribute for many financial assets and liabilities. Entities electing the fair value option would be required to recognize changes in fair value in earnings. Entities electing the fair value option would be required to distinguish, on the face of the balance sheet, the fair value of assets and liabilities for which the fair value option has been elected and similar assets and liabilities measured using another measurement attribute. SFAS 159 became effective beginning January 1, 2008. The Company elected not to measure any eligible items using the fair value option in accordance with SFAS No. 159 and therefore, SFAS No. 159 did not have an impact on the Company's condensed balance sheets, condensed statements of income and condensed statements of cash flows.

In December 2007, the FASB issued SFAS No. 141 (revised 2007), "Business Combinations" ("SFAS 141R"). SFAS 141R provides revised guidance on how acquirers recognize and measure the consideration transferred, identifiable assets acquired, liabilities assumed, noncontrolling interests, and goodwill acquired in a business combination. SFAS 141R also expands required disclosures surrounding the nature of financial effects of business combinations. SFAS 141R is effective, on a prospective basis, for companies for fiscal years beginning January 1, 2009. The Company is currently assessing the potential effect of SFAS 141R on its balance sheets, condensed statements of income and condensed statements of cash flows.

In December 2007, the FASB issued SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements" ("SFAS 160"). SFAS 160 establishes requirements for ownership interests in subsidiaries held by parties other than the Company (sometimes called "minority interests") be clearly identified, presented, and disclosed in the condensed

balance sheet within equity, but separate from the parent's equity. All changes in the parent's ownership interests are required to be accounted for consistently as equity transactions and any noncontrolling equity investments in deconsolidated subsidiaries must be measured initially at fair value. SFAS 160 is effective, on a prospective basis, for companies for fiscal years beginning January 2009. However, presentation and disclosure requirements must be retrospectively applied to comparative financial statements. The Company is currently assessing the impact of SFAS 160 on its condensed balance sheets and condensed statements of income.

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In April 2008, the FASB issued FSP FAS 142-3, “Determination of the Useful Life of Intangible Assets” (“FSP FAS 142-3”). FSP FAS 142-3 amends the factors that should be considered in developing a renewal or extension assumptions used for purposes of determining the useful life of a recognized intangible asset under SFAS No. 142, “Goodwill and Other Intangible Assets” (“SFAS 142”). FSP FAS 142-3 is intended to improve the consistency between the useful life of a recognized intangible asset under SFAS 142 and the period of expected cash flows used to measure the fair value of the asset under SFAS 141R and other U.S. generally accepted accounting principles. FSP FAS 142-3 is effective for fiscal years beginning after December 15, 2008. Earlier application is not permitted. The Company will be assessing the potential effect of FSP FAS 142-3 if applicable, once we enter into a business combination.

In October, 2008, the FASB issued FSP FAS 157-3, “Determining the Fair Value of a Financial Asset When the Market for That Asset Is Not Active” (“FSP FAS 157-3”) which provided additional interpretative guidance on the application of SFAS No. 157 in markets that are not active and provided an illustrative example to demonstrate how the fair value of a financial asset is determined when the market for the financial asset is inactive. FSP FAS 157-3 was effective upon issuance, including for prior periods for which financial statements have not yet been issued. The issuance of interpretative guidance on the application of SFAS No. 157 did not have a material impact on the Company’s condensed financial statements.

Note 3 — Public Offering

Pursuant to a Registration Statement on Form S-1 declared effective by the Securities and Exchange Commission on February 14, 2008, for an offering consummated on February 21, 2008 (the “Registration Statement”), the Company sold in its Public Offering 40,000,000 units at a price of $10.00 per unit. Each unit (a “Unit”) consists of one share of the Company’s common stock, $0.001 par value, and one Redeemable Common Stock Purchase Warrant (a “Warrant”). Each Warrant will entitle the holder to purchase from the Company one share of common stock at an exercise price of $7.00 commencing on the later of the completion of a Business Combination or 12 months from the effective date of the Public Offering and expiring five years from the effective date of the Public Offering or earlier upon redemption or liquidation of the Trust Account. The Company may redeem all of the Warrants, at a price of $.01 per Warrant upon 30 days’ prior notice while the Warrants are exercisable, and there is an effective registration statement covering the common stock issuable upon exercise of the Warrants current and available, only if the last sales price of the common stock is at least $14.25 per share for any 20 trading days within a 30 trading day period ending on the third day prior to the date on which notice of redemption is given. The Company will not redeem the Warrants unless an effective registration statement covering the shares of common stock issuable upon exercise of the Warrants is current and available throughout the 30-day redemption period. If the Company calls the Warrants for redemption as described above, the Company’s management will have the option to adopt a plan of recapitalization pursuant to which all holders that wish to exercise Warrants would be required to do so on a “cashless basis.” In such event, each exercising holder would surrender the Warrants for that number of shares of common stock equal to the quotient obtained by dividing (i) the product of the number of shares of common stock underlying the Warrants, multiplied by the difference between the exercise price of the Warrants and the “fair market value” (defined below) by (ii) the fair market value. The “fair market value” means the average reported last sales price of the Company’s common stock for the 10 trading days ending on the third trading day prior to the date on which the notice of redemption is sent to the holders of Warrants. In accordance with the Warrant Agreement relating to the Warrants sold and issued in the Public Offering, the Company will only be required to use its best efforts to maintain the effectiveness of the registration statement covering the common stock issuable upon exercise of the Warrants. The Company will not be obligated to deliver securities, and there are no contractual penalties for failure to deliver securities, if a registration statement is not effective at the time of exercise. Additionally, if a registration statement is not effective at the time of exercise, the holder of such Warrant shall not be entitled to exercise such Warrant and in no event (whether in the case of a registration statement not being effective or otherwise) will the Company be required to net cash settle the Warrant exercise. Consequently, the Warrants may expire unexercised and unredeemed. The number of Warrant shares

issuable upon the exercise of each Warrant is subject to adjustment from time to time upon the occurrence of the events enumerated in the Warrant Agreement.

The Warrants are classified within stockholders' equity since, under the terms of the Warrants, the Company cannot be required to settle or redeem them for cash.

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Total underwriting fees related to the Public Offering aggregate to $23,251,500. The Company paid $6,900,000 upon closing of the Public Offering and $16,351,500 is payable only upon the consummation of a Business Combination. Specifically, Banc of America Securities LLC and other underwriters have agreed that approximately 70% of the underwriting discounts will not be payable unless and until the Company completes a Business Combination and has waived its right to receive such payment upon the Company's liquidation if it is unable to complete a Business Combination. The deferred underwriting commission paid will be less pro-rata reductions resulting from the exercise of the stockholder conversion rights as described in the Registration Statement. Accordingly, the liability for deferred underwriting commission excludes $5,063,363, which is included in the liability for common stock subject to possible conversion.

The Company also granted Banc of America Securities LLC and other underwriters a 30-day over-allotment option to purchase up to 6,000,000 Units, which expired on March 27, 2008. Following the expiration of the over-allotment option, the Company's initial stockholders returned at no cost, 1,275,000 of Units pursuant to the terms of the applicable purchase agreement in order for the Founders to maintain its approximately 17.3% ownership interest in our common stock after giving effect to the Public Offering.

On September 30, 2008, $402,270,297 was held in trust, of which the Company had the right to withdraw $2,270,297 to fund working capital needs and the payment of income taxes. The Company also had $489,843 of unrestricted cash available.

Note 4 — Note Payable

On November 19, 2007, the Company issued a promissory note in the aggregate principal amount of $250,000 to the Founder. The note accrued interest at the rate of 8.5% per annum, was unsecured and the principal was due at the earlier of (i) December 30, 2008, or (ii) the consummation of the offering. On February 26, 2008, the Company paid off the principal amount of the promissory note including accrued interest in the amount of $5,844, for a total of $255,844.

Note 5 — Related Party Transactions and Commitments

The Company presently occupies office space provided by the Founder. The Founder has agreed that, until the Company consummates a Business Combination, it will make such office space, as well as certain office and secretarial services, available to the Company, as may be required by the Company from time to time. The Company has agreed to pay the Founder a total of $10,000 per month for such services commencing on the effective date of the Public Offering and will terminate upon the earlier of (i) the consummation of a Business Combination, or (ii) the liquidation of the Company. The Company paid a total of $30,000 with respect to this commitment for the three months ended September 30, 2008 and $75,172 for the nine months ended September 30, 2008.

From time to time, the Founder funds administrative expenses, such as travel expenses, meals and entertainment and office supplies, incurred in the ordinary course of business. Such expenses are to be reimbursed by the Company to the Founder. As of September 30, 2008, the Founder has funded a total of $15,940 of administrative expenses, of which $6,334 was paid off to the Founder on September 29, 2008. The remaining balance of $9,606 will be reimbursed to the Founder in the future period and is included within "Accrued Expenses" in the accompanying Balance Sheet.

On January 10, 2008, the Company cancelled 1,725,000 Founder's Units, which were surrendered in a recapitalization, leaving the Founder with a total of 9,775,000 Units as of the date of the Public Offering. Of the 9,775,000 Founder's Units, an aggregate of 1,275,000 Founder's Units, including the common stock included therein, were forfeited on

March 27, 2008, following the expiration of the over-allotment option of Banc of America Securities LLC and the other underwriters pursuant to the terms of the applicable purchase agreement.

On February 1, 2008, the Founder transferred at cost an aggregate of 150,000 of the Founder's Units to certain of the Company's directors (together with the Founder, the "Initial Stockholders"). These transferred Units have the same terms and are subject to the same restrictions on transfers as the Founder's Units. The restrictions on transfer on these Units will lapse 180 days after the consummation of a Business Combination by the Company (if any) (considered a performance condition). In accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) "Share Based Payments", the restrictions are not being taken into account for purposes of

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determining the value of the transferred Units and the Company will record a compensation charge and a related capital contribution (at the time a Business Combination is consummated) for the difference between the consideration received by the Founder in the transfer and the price of $10.00 per Unit paid by the public stockholders which acquired Units in our initial public offering.

On February 21, 2008, in connection with the Public Offering, the Founder purchased a total of 8,000,000 Warrants ("Private Placement Warrants") at $1.00 per Warrant (for an aggregate purchase price of $8,000,000) privately from the Company. All of the proceeds received from the purchase were placed in the Trust Account. The Private Placement Warrants are identical to those included in the Units sold in our initial public offering, except that:

- the Private Placement Warrants, including the common stock issuable upon exercise of these Warrants, are subject to certain transfer restrictions;
- the Private Placement Warrants will not be redeemable by the Company so long as they are held by the Initial Stockholders or their permitted transferees; and
- the Private Placement Warrants may be exercised by the Initial Stockholders or their permitted transferees on a cashless basis.

As of September 30, 2008, the Founder owns approximately 17.3% of the Company's issued and outstanding common stock and collectively, the Initial Stockholders own approximately 17.5%.

Note 6 — Income Taxes

The components of the provision for income taxes for the three and nine months ended September 30, 2008 are set forth below:

	Three Months Ended September 30, 2008	Nine Months Ended September 30, 2008
Current taxes:		
U.S. federal	$ 550,210	$ 1,397,785
State and local	324,810	825,164
Total current tax expense	$ 875,020	$ 2,222,949
Deferred taxes:		
U.S. federal	$ (85,005)	$ (85,005)
State and local	(50,181)	(50,181)
Total deferred tax expense	(135,186)	(135,186)
Total provision for income taxes	$ 739,834	$ 2,087,763

A reconciliation of the statutory U.S. federal income tax rate of 34% to the Company's effective income tax rate is set forth below:

	Three Months	Nine Months

	Ended September 30, 2008	Ended September 30, 2008
U.S. statutory tax rate	34.0%	34.0%
Increase related to state and local taxes, net of U.S. income tax	10.0%	11.0%
Reversal of valuation allowance	(4.0)%	—
Effective income tax rate	40.0%	45.0%

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Note 7 — Earnings per Share

The computations of basic, diluted, and proforma diluted earnings per share are set forth below:

	Three Months Ended September 30, 2008	Nine Months Ended September 30, 2008
Numerator for basic and diluted earnings per share — net income available to common stockholders	$ 1,097,043	$ 2,548,339
Denominator for basic and diluted earnings per share — weighted average number of common shares	48,500,000	41,511,588
Proforma Adjustments:		
Add — dilutive effect of Warrants:	14,018,797	11,562,910
Denominator for proforma diluted earnings per share — adjusted weighted average number of common shares and assumed potential conversion	62,518,797	53,074,498
Earnings per share:		
Basic and diluted	$ 0.02	$ 0.06
Proforma earnings per share — diluted	$ 0.02	$ 0.05

Note 8 — Proposed Business Combination

On September 22, 2008, the Company announced that it had entered in an agreement (the “Transaction Agreement”) to acquire Iridium Holdings LLC (“Iridium”), a leading provider of voice and data mobile satellite services (the “Proposed Business Combination”).

Under the terms of the Transaction Agreement, the Company will acquire Iridium in exchange for 36.0 million shares of its common stock and $77.1 million of cash, subject to adjustment. In addition, 90 days following the closing of the Proposed Business Combination, if Iridium has in effect a valid election under Section 754 of the Internal Revenue Code of 1986, as amended, the Company will make a tax benefits payment of up to $30 million in aggregate to certain sellers to compensate for the tax basis step-up. Upon the closing of the Proposed Business Combination, Iridium will become a subsidiary of the Company and the combined enterprise will be renamed “Iridium Communications Inc.” and will apply for listing on NASDAQ.

The Transaction Agreement and related documents have been unanimously approved by the board of directors of the Company and Iridium. The closing of the Proposed Business Combination is subject to customary closing conditions including the expiration or termination of waiting periods under the Hart-Scott-Rodino Act, Federal Communications Commission approval, other regulatory approvals and the approval of the Company’s stockholders, including a majority of the shares of the Company’s common stock issued in its Public Offering. The Company has been granted early termination of the Hart-Scott-Rodino Act. In addition, the closing of the Proposed Business Combination is conditioned on the requirement that stockholders owning not more than 11,999,999 shares of the Company’s common stock (such number representing 30 percent minus one share of the 40,000,000 shares of issued in its Public Offering) vote against the Proposed Business Combination and validly exercise their conversion rights to have their shares converted into cash, as permitted by the Company’s certificate of incorporation. The Company’s initial stockholders have agreed to vote the 8,500,000 shares they already own, which were issued to them prior to the Company’s Public Offering, in accordance with the vote of the holders of a majority of the shares issued in the Public Offering. The Proposed Business Combination is expected to close in the first part of 2009 but may vary depending upon the timing

of regulatory approvals.

If (x) the Transaction Agreement is terminated either by the Company or Iridium because the Company's stockholders shall have failed to approve the Proposed Business Combination, (y) the Company breaches its obligations to hold a stockholder meeting or to use its reasonable best efforts to consummate the Proposed Business Combination contemplated by the Transaction Agreement, and (z) the Company consummates an initial business combination (other than with Iridium), the Company will be obligated to pay to Iridium within two business days of the consummation of such other business combination, a break-up fee consisting of $5,000,000 in cash, shares of the Company's common stock or combination thereof, at the Company's election (the "Termination Fee"). The

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Termination Fee will be the exclusive remedy of Iridium, the Sellers and their respective affiliates with respect to any such breach except in the case where, prior to 10 business days immediately following the termination of the Transaction Agreement, Iridium notifies the Company in writing that it believes in good faith the Company has committed willful breach of the Transaction Agreement. In that case, the Company need not pay the Termination Fee and Iridium shall have the right to pursue its remedies for willful breach against the Company, subject to other limitations set forth in the Transaction Agreement.

The Company intends to launch a tender offer for its common shares which will close concurrent with completion of the Proposed Business Combination, pursuant to which shares will be acquired at a price per share of $10.50, up to an aggregate purchase price of $120 million reduced by the amount of cash distributed to stockholders who vote against the Proposed Business Combination and elect conversion of their shares.

On September 22, 2008, the Company entered into a side letter agreement (the “Side Letter”) with the Founder whereby the Founder has agreed to forfeit at the closing of the Proposed Business Combination the following securities of the Company which it currently owns: (1) 1,441,176 common shares; (2) 8,369,563 founder warrants; and (3) 2,000,000 private placement warrants. These forfeitures will reduce the Company’s shares and warrants outstanding immediately post-closing.

Note 9 — Deferred Acquisition Costs

The Company has incurred certain transaction costs for the Proposed Business Combination as disclosed in Note 8. The Company has deferred such costs under SFAS 141 (“Business Combinations”). It is probable that the Proposed Business Combination will close after the effective date of SFAS 141R and under SFAS 141R such acquisition costs will be expensed.

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REPORT OF INDEPENDENT AUDITORS

Unit Holders and Board of Directors
Iridium Holdings LLC

We have audited the accompanying consolidated balance sheets of Iridium Holdings LLC (the Company) as of December 31, 2007 and 2006, and the related consolidated statements of income, members' deficit and comprehensive income, and cash flows for each of the three years in the period ended December 31, 2007. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Iridium Holdings LLC at December 31, 2007 and 2006, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2007, in conformity with accounting principles generally accepted in the United States.

/s/ Ernst & Young LLP

McLean, Virginia
April 7, 2008, except for notes 13 and 14, as to which
the date is November 26, 2008

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Iridium Holdings LLC

Consolidated Balance Sheets

	December 31,	
	2007	2006
	(In Thousands, Except Unit Data)	
Assets		
Current assets:		
Cash and cash equivalents	$ 22,105	$ 31,858
Restricted cash	3,020	3,020
Accounts receivable, net	35,114	25,171
Inventory	14,156	10,303
Deferred cost of sales, current portion	3,408	11,836
Prepaid expenses and other current assets	2,539	1,847
Total current assets	80,342	84,035
Property and equipment, net	59,959	50,648
Restricted cash	15,400	15,400
Deferred cost of sales, net of current portion	—	3,408
Deferred financing costs and other assets	11,880	8,034
Total assets	$ 167,581	$ 161,525
Liabilities and members' deficit		
Current liabilities:		
Accounts payable	$ 2,361	$ 4,992
Accrued expenses and other current liabilities	28,258	25,934
Credit facility, current portion	12,933	13,433
Deferred revenue, current portion	24,152	30,130
Total current liabilities	67,704	74,489
Accrued satellite operations and maintenance expense, net of current portion	12,372	14,847
Motorola payable	9,761	8,947
Credit facility	151,542	177,567
Deferred revenue, net of current portion	–	4,278
Other long-term liability	4,649	2,586
Total liabilities	246,028	282,714
Commitments and contingencies (Note 9)		
Members' deficit:		
Members' units:		
Class A units (1,083,872 units issued and outstanding)	—	—
Class B units (455,209 and 435,703 units issued and outstanding, respectively)	—	—
Additional paid-in capital	761	535
Accumulated deficit	(75,576)	(119,349)

Accumulated other comprehensive loss	(3,632)	(2,375)
Total members' deficit	(78,447)	(121,189)
Total liabilities and members' deficit	$ 167,581	$ 161,525

See accompanying notes.

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Iridium Holdings LLC

Consolidated Statements of Income

	Year Ended December 31,		
	2007	2006	2005
	(In Thousands)		
Revenue:			
Services:			
Government	$ 57,850	$ 50,807	$ 48,347
Commercial	101,172	77,661	60,690
Subscriber Equipment:	101,879	83,944	78,663
Total revenue	260,901	212,412	187,700
Operating expenses:			
Cost of subscriber equipment sales	62,439	60,068	62,802
Network and satellite operations and maintenance	60,188	60,685	56,909
Selling, general and administrative	46,350	33,468	30,135
Research and development	17,370	4,419	4,334
Depreciation and amortization	11,380	8,541	7,722
Satellite system development refund	—	—	(14,000)
Total operating expenses	197,727	167,181	147,902
Operating profit	63,174	45,231	39,798
Other (expense) income:			
Interest expense	(21,771)	(15,179)	(5,106)
Interest expense recovered	—	—	2,526
Interest and other income	2,370	1,762	2,377
Total other (expense) income, net	(19,401)	(13,417)	(203)
Net income	$ 43,773	$ 31,814	$ 39,595

See accompanying notes.

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Iridium Holdings LLC

Consolidated Statements of Members' Deficit and Comprehensive Income

	Class A Units		Class B Units		Warrants						
	Number of Units	Amount	Number of Units	Amount	Number of Units	Amount	Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Subscription Receivable	Total
	(In Thousands, Except Unit Data)										
Balance at December 31, 2004	$ 613,667	$ 131,500	$ 215,087	$ —	$ 488,358	$ —	$ —	$ —	$ (159,970)	$ (61,538)	$ (90,008)
Net income									39,595		39,595
Comprehensive Income											39,595
Purchase and redemption (Class A)	(18,153)	(3,890)	—	—	—	—	—	—	890	—	(3,000)
Purchase and redemption (Class B)	—	—	(4,444)	—		—	—	—	(500)	—	(500)
Capital contributions returned	—	—	—	—	—	—	—	—	—	(3,600)	(3,600)
Class B units issued	—	—	18,522	—	—	—	—	—	—	—	-
Equity-based compensation	—	—	—	—	—	—	251	—	—	—	251
Anti-dilution adjustment	—	—	(1,438)	—	—	—	—	—	—	—	-
Balance at December 31, 2005	595,514	127,610	227,727	—	488,358	—	251	—	(119,985)	(65,138)	(57,262)
Net Income	—	—	—	—	—	—	—	—	31,814	—	31,814
Other comprehensive loss—Swap	—	—	—	—	—	—	—	(2,375)	—	—	(2,375)
Comprehensive Income											29,439
Equity-based compensation	—	—	—	—	—	—	284	—	—	—	284
Credit enhancements contributed	—	—	—	—	—	—	—	—	—	65,138	65,138
Cash capital contributions returned	—	(62,472)	—	—	—	—	—	—	—	—	(62,472)

Credit enhancements returned	—	(65,138)	—	—	—	—	—	—	—	—	(65,138)
Class A and B distribution	—	—	—	—	—	—	—	—	(31,178)	—	(31,178)
Class B units issued	—	—	11,397	—	—	—	—	—	—	—	-
Anti-dilution adjustment	—	—	196,579	—	—	—	—	—	—	—	-
Warrant exercise	488,358	—	—	—	(488,358)	—	—	—	—	—	-
Balance at December 31, 2006	1,083,872	—	435,703	—	—	—	535	(2,375)	(119,349)	—	(121,189)
Net income	—	—	—	—	—	—	—	—	43,773	—	43,773
Other comprehensive loss—Swap	—	—	—	—	—	—	—	(1,257)	—	—	(1,257)
Comprehensive Income											42,516
Equity-based compensation	—	—	—	—	—	—	226	—	—	—	226
Class B units issued	—	—	15,390	—	—	—	—	—	—	—	-
Class B units forfeited	—	—	(1,539)	—	—	—	—	—	—	—	-
Anti-dilution adjustment	—	—	5,655	—	—	—	—	—	—	—	-
Balance at December 31, 2007	$ 1,083,872	$ —	$ 455,209	$ —	$ —	$ —	$ 761	$ (3,632)	$ (75,576)	$ —	$ (78,447)

See accompanying notes.

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Iridium Holdings LLC

Consolidated Statements of Cash Flows

	Year ended December 31		
	2007	2006	2005
	(In Thousands)		
Operating activities			
Net income	$ 43,773	$ 31,814	$ 39,595
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization	11,380	8,541	7,722
Other non-cash amortization and accretion	2,862	1,560	21
Non-cash equity based compensation	2,901	300	300
Non-cash release of Boeing obligation	—	—	(16,526)
Change in certain operating assets and liabilities:			
Accounts receivable, net	(9,943)	(153)	(6,771)
Prepaid expenses and other current assets	(692)	(586)	77
Inventory	(3,852)	(5,232)	(1,329)
Deferred cost of sales	11,836	21,278	27,334
Deferred revenue	(10,256)	(20,872)	(23,949)
Other noncurrent assets	(5,790)	(29)	(39)
Accounts payable	(2,631)	(183)	(3,447)
Accrued expenses and other liabilities	(553)	7,107	5,240
Accrued satellite operations and maintenance expense	(2,475)	(2,474)	2,514
Net cash provided by operating activities	36,560	41,071	30,742
Investing activities			
Purchases of property and equipment	(19,787)	(11,039)	(9,661)
Net cash used in investing activities	(19,787)	(11,039)	(9,661)
Financing activities			
Borrowings under credit facilities	—	200,000	27,000
Repayments under credit facilities	(26,526)	(59,611)	(7,750)
Deferred operations and maintenance fees	—	(31,277)	—
Payment of deferred financing fees	—	(7,974)	—
Repayment of senior convertible promissory notes	—	—	(34,783)
Distribution to Class A and B members	—	(31,178)	—
Transfer to restricted cash to support letters of credit	—	(15,520)	146
Unit repurchase and redemption		—	(3,500)
Class A members' capital distributions	—	(62,472)	—
Net cash used in financing activities	(26,526)	(8,032)	(18,887)
Net (decrease) increase in cash and cash equivalents	(9,753)	22,000	2,194
Cash and cash equivalents, beginning of year	31,858	9,858	7,664
Cash and cash equivalents, end of year	$ 22,105	$ 31,858	$ 9,858
See accompanying notes.			
Supplementary cash flow information			
Interest paid	$ 20,643	$ 9,843	$ 6,860
Supplementary disclosure of non-cash investing activities:			
Lease incentives in the form of leasehold improvements	$ 357	-	-

See accompanying notes.

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Iridium Holdings LLC

Notes to Consolidated Financial Statements

December 31, 2007

1. Organization and Business

Organization

Iridium Holdings LLC (the Parent), its wholly owned subsidiary Iridium Satellite LLC (Satellite), and Satellite's wholly owned subsidiary, Iridium Constellation LLC (Constellation) (Parent, Satellite and Constellation, together with all other subsidiaries, are referred to as the Company or Iridium) were formed under the laws of the State of Delaware in 2000 and were organized as limited liability companies pursuant to the Delaware Limited Liability Company Act. On December 11, 2000, the Company acquired certain satellite communication assets from Iridium LLC, a debtor in possession, pursuant to an asset purchase agreement. The Company holds numerous licenses from the Federal Communications Commission (the FCC) and other international regulatory bodies that allow the Company to conduct its business, including the operation of its satellite constellation.

Business

The Company is a global wireless telecommunications enterprise that offers its customers diverse voice, fax, data, and messaging services to and from virtually anywhere in the world using its satellite-based network infrastructure. The Company operates 76 satellites (including nine orbiting spares) in a low-earth-orbit constellation that enables customers to communicate using specialized phones, data devices, and pagers. The satellites communicate with those user devices using their main mission antennas, as well as with each other using crosslink antennas, and with ground-based gateways and control stations using feeder link antennas.

The operation of the Company's satellites is monitored by its Satellite Network Operations Center (SNOC), located in Leesburg, Virginia. This facility manages the performance and status of each of the satellites. The SNOC also manages the network by developing and distributing routing tables for use by the satellites and gateways, directing traffic routing through the network, and controlling the formation of coverage areas by the satellites' main mission antennas. The Company operates telemetry, tracking, and control stations (TTACs) located in the United States (Fairbanks, AK and Chandler, AZ), northern Canada, and Norway. The Alaskan TTAC station also provides Earth Terminal backup capability for the Tempe Gateway.

The Company is subject to a number of risks associated with satellite companies at a similar stage of maturity, including technical, commercial, regulatory, and broader market risks. More specifically, some of the risks which may affect the Company's ability to achieve management's objectives, include, but are not limited to: the continued successful operation of the satellite constellation system and the successful development, financing and launch of the next generation system; reliance on a single primary gateway and a single primary satellite network operations center; the Company's ability to secure secondary payload customers to offset the costs of the next generation system; the Company's ability to compete with new and emerging technologies; retention of the U.S. government as a significant customer and the ability of the Company to attract new, as well as retain existing, commercial customers; the ability of the Company to obtain debt or equity financing sufficient to meet the needs of the business; significant competition from other satellite and terrestrial providers; successful product development by the Company; market demand for satellite communications services; reliance on key software owned by third parties to operate the satellite system; reliance on third parties to market and distribute the Company's services to end-users; reliance on a single

manufacturer to produce the Company's subscriber equipment; maintenance of regulatory licenses and spectrum allocation, both domestic and international; lack of insurance to cover repair or replacement costs for non-functioning in-orbit satellites; adverse regulatory changes affecting the satellite industry; retention of key employees and the ability to attract qualified new personnel; restrictive covenants in the Company's credit agreements which limit its operational and financial flexibility; and general economic and business conditions. The Company's satellite constellation system is subject to regulation by the FCC and by certain international bodies.

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2. Significant Accounting Policies and Basis of Presentation

Principles of Consolidation and Basis of Presentation

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States and include the accounts of the Parent and its wholly owned subsidiaries. All intercompany transactions and balances have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the dates of the financial statements and the associated amounts of revenues and expenses during the periods reported. Actual results could differ from these estimates.

Cash, Cash Equivalents, and Restricted Cash

The Company considers all highly liquid investments with an original maturity of three months or less at the date of purchase to be cash equivalents. Certain cash balances are restricted as collateral for letters of credit issued on the Company's behalf as collateral held by the Boeing Company (see Note 4), Celestica Corporation (see Note 9) and certain foreign communications licensing agencies. These amounts are presented separately on the consolidated balance sheets. Certain amounts of restricted cash have been placed into certificates of deposits. The Company expects to roll over the certificates of deposit and keep them in place for as long as the collateral is required. Assets restricted as collateral are classified based on the requirements of the underlying term of the collateral.

Financial Instruments

The consolidated balance sheets include various financial instruments (primarily cash and cash equivalents, accounts receivable, accounts payable, accrued expenses and other liabilities, long-term debt, derivative instruments, and other obligations). The fair values of short-term financial instruments approximate their carrying values because of their short-term nature. The fair value of debt approximates its carrying amount as of December 31, 2007, based on rates currently available to the Company for debt with similar terms and remaining maturities.

Interest Rate Swaps

The Company applies the provisions of Statement of Financial Accounting Standards (SFAS) No. 133, Accounting for Derivative Instruments and Hedging Activities as amended by SFAS 138, Accounting for Certain Derivative Instruments and Certain Hedging Activities, an Amendment of SFAS 133. SFAS No. 133, as amended, requires that all derivative instruments be recorded on the balance sheet at their respective fair values. As required by the Company's credit facility (see Note 7), management executed four pay-fixed receive-variable interest rate swaps in 2006, three of which are still open at December 31, 2007, and mature within three years. The Company hedged $146.0 million of variable interest rate debt as of December 31, 2007. The interest rate swaps are designated as cash flow hedges. The objective for holding these instruments is to manage variable interest rate risk related to the Company's $210.0 million credit facilities, by synthetically converting a portion of the variable rate risk to fixed rate interest rate risk. The swaps are structured so that the Company will pay a fixed rate of interest and receive a variable interest payment, which, to the extent hedged, should offset the variable interest that is being paid on its debt. The variable interest rate on the swaps reset every quarter concurrent with the reset of the variable rate on the debt. The fixed rate will not change over the life of the swap. Each quarter-end the swaps are measured against current interest rates to determine a fair market value. The fair market value is recorded on the balance sheet and the offset to the value, to the

extent effective, is recorded in accumulated other comprehensive income (AOCI). Any ineffectiveness is recorded to interest expense.

The effectiveness of the swaps in offsetting the gain or loss on the debt is assessed and measured on a quarterly basis by regressing historical changes in the value of the swap with the historical change in value of the underlying debt. To establish a value for the underlying debt a “hypothetical” derivative is created with terms that match the debt (i.e., notional amount, reset rates and terms, maturity) and had a zero fair value at designation. Effectiveness is tested and measured every quarter.

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The effectiveness testing and measurement was performed on a contract-by-contract basis. The change in the swaps' fair market value from the designation date to December 31, 2007 was compared with the hypothetical change in fair market value for the same period. Since the change in the value of the hypotheticals was less than the change in the value of the swaps, a $0.1 million loss associated with ineffectiveness was accrued as of December 31, 2007. Therefore, the $3.7 million loss on the derivative is recorded to interest rate swap liability, and a $3.6 million offset is recorded in AOCI in the accompanying December 31, 2007 consolidated balance sheets. There was no ineffectiveness in 2006; as a result, both the interest rate swap liability and AOCI was $2.4 million at December 31, 2006.

At December 31, 2007 $1.9 million is expected to be reclassified from AOCI to earnings as additional interest expense over the next twelve months in conjunction with lower variable rate interest payments on the debt. The net interest expense should equal the fixed rate on the swaps, thus meeting the original objective of the hedge program.

Deferred Financing Costs

Costs incurred in connection with securing debt financing have been deferred and are amortized as additional interest expense using the effective interest method over the term of the related debt.

Accounts Receivable

Trade accounts receivable are recorded at the invoiced amount and do not bear interest. Amounts collected on trade accounts receivable are included in net cash provided by operating activities in the consolidated statements of cash flows. Accounts receivable are stated net of allowances for uncollectible accounts, if applicable. Management develops its estimate of this allowance based on the Company's experience with specific customers, its understanding of their current economic circumstances and its own judgment as to the likelihood of their ultimate payments. When a specific account receivable is determined to be uncollectible, the Company reduces both its accounts receivable and allowances for uncollectible accounts accordingly.

Inventory

Inventory consists of subscriber equipment, which includes handsets, L-Band transceivers, data devices, accessories and pagers to be sold to customers to access Company services. The inventory is valued at the lower of cost or market. The Company outsources manufacturing of handsets, L-Band transceivers, and data devices; and purchases accessories and pagers from third party suppliers. Cost allocations of overhead (including salary and fringes of the Company's logistics personnel), scrap, obsolescence, shrinkage, tooling, freight, and warehouse distribution charges are included as cost components of these manufactured items. All inventory is valued using the average cost method.

Research and Development

Research and development costs are charged as an expense in the period in which they are incurred. Research and development costs, which consisted primarily of costs related to the development of the next generation of satellites, new subscriber equipment and new maritime broadband services, totaled $17.4 million, $4.4 million and $4.3 million in 2007, 2006 and 2005, respectively.

Warranty Expense

The Company provides the customer with a warranty on subscriber equipment for one year from the date of activation. Costs associated with the warranty program—including equipment replacements, repairs, and program administration—are expensed as incurred. Warranty expenses were $0.6 million, $0.2 million and $1.1 million during the years ended December 31, 2007, 2006, and 2005, respectively. Higher warranty expenses for the year ended

December 31, 2005 were due to certain subscriber equipment design defects discovered during 2005. The defects were corrected in subscriber equipment production occurring after May 2005. A warranty reserve based on an expected return rate for handsets, data devices and L-Band transceivers has been recorded in the amount of $0.5 million and $0.2 million at December 31, 2007 and 2006, respectively.

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Accounting for Equity-Based Compensation

Interests in Iridium Employee Holdings LLC

Satellite, in its role as manager of Iridium Employee Holdings LLC (Iridium Employee Holdings), has granted certain key employees equity interests in Iridium Employee Holdings. Iridium Employee Holdings was created solely to own certain Class B non-voting units of Parent and has no other operations. Each interest in Iridium Employee Holdings represents and is equivalent to ownership of 15,484 Class B units of Parent. The employee's interests in Iridium Employee Holdings generally vest over a three to five year period and Iridium Employee Holdings is only required to make distributions with respect to vested portions thereof. If an employee terminates his employment with the Company, unvested interests are forfeited. Additionally, all interests fully vest in the event of a change in control of Parent or Satellite. With respect to some of the interests granted to employees, a designated threshold amount must be exceeded before the employee becomes entitled to receive distributions with respect to his Iridium Employee Holdings equity interests (and all distributions are first applied (without regard to vesting) against the threshold amount until it has been fully satisfied). The Class B units of Parent held by Iridium Employee Holdings are subject to the same vesting and threshold amount provisions that apply to the Iridium Employee Holdings equity interests granted to employees.

Prior to January 1, 2006, the Company accounted for employee equity-based compensation using the method of accounting prescribed by Accounting Principles Board (APB) Opinion No. 25, Accounting for Stock Issued to Employees, and the associated interpretations using the intrinsic method. As such, compensation expense related to employee equity-based compensation was recorded only if, on the date of grant, the fair value of the underlying equity units exceeded the exercise price. Effective January 1, 2006, the Company adopted SFAS No. 123(R), Share-Based Payment, which supersedes APB Opinion No. 25, using the "modified prospective" method. Under this method, compensation cost is recognized beginning with the effective date (a) based on the requirements of SFAS No. 123(R) for all share-based payments granted after the effective date and (b) based on the requirements of Statement No. 123 for all awards granted to employees prior to the effective date of Statement No. 123(R) that remain unvested on the effective date. Results for prior year have not been restated. As a result of adopting SFAS No. 123(R), the Company's net income was approximately $0.1 million lower than if it had continued to account for equity-based compensation under APB Opinion No. 25.

The Company used the Black-Scholes option-pricing model (Black-Scholes) as its method of valuation under SFAS No. 123(R) in 2006. This fair value is then amortized on a straight-line basis over the requisite service periods of the awards, which is generally the vesting period. The fair value of share-based payment awards on the date of grant as determined by the Black-Scholes model is affected by the Company's assumptions. These assumptions include, but are not limited to, the expected stock price volatility over the term of the awards and expected forfeitures. The fair value of employee interests in Employee Holdings was estimated using the Black-Scholes model with the following assumptions for the year ended December 31, 2006:

Expected volatility	63%
Risk-free interest rate	4.5%
Expected dividends	0%
Expected term	6 years

The expected volatility assumption was based on a review of the expected volatility of publicly-traded entities similar to the Company, which the Company believes is a reasonable indicator of its expected volatility. The risk-free interest rate assumption is based upon U.S. Treasury Bond interest rates with terms similar to the expected term of the award. The dividend yield assumption is based on the Company's history of not declaring and paying dividends.

Given the limited number of employees who have been granted interests in Iridium Employee Holdings, the Company has estimated there will be no forfeitures. This estimate is supported by the Company's historical rate of forfeitures due to voluntary terminations. The expected term is based on the Company's best estimate for the period of time for which the instrument is expected to be outstanding.

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During the years ended December 31, 2007, 2006, and 2005 the Company recognized $0.2 million, $0.3 million, and $0.3 million, respectively, of equity-based compensation expense related to the interests in Iridium Employee Holdings granted to certain key employees (recognized within general and administrative expenses in accompanying consolidated statements of income). As of December 31, 2007, there was $0.2 million of unrecognized compensation expense related to nonvested equity-based compensation awards that will be recognized over a weighted-average period of approximately one year.

The following table illustrates the effect of the net income if the Company had applied the fair value recognition provisions of SFAS 123(R) to equity-based compensation for the year ended December 31, 2005.

Net income, as reported	$ 39,595
Deduct: Total stock-based employee compensation expense determined under the fair value method for all awards, net of any compensation expense recognized in prior year	(16)
Pro forma net income	$ 39,579

Profits Interests

Commencing in 2006 the Company granted certain key executives and members of the board of directors payment rights entitled “profits interests.” These interests do not give the holder any equity ownership interest in the Company, but are intended to convey to the holder an economic interest similar to the appreciation in value of Class B units in Parent. Certain profits interests grants are fully vested at the date of grant, others vest over a three to four year period, in each case subject to the continued employment and/or board service of the recipient. The profits interests grant sets forth a pro-rata threshold equity valuation of the Company. All distributions received by Class B holders after the date of grant of the profits interests are aggregated, and once the pro-rata threshold value is exceeded, the recipient of the profits interests becomes entitled to receive cash equal to the distributions he would have received if he had held Class B units of Parent. The right to receive payments under the profits interests plan survives the termination of the recipient’s employment or service with the Company with respect to vested portions thereof; however, the Company has repurchase rights from the recipients.

Under Statement No. 123(R), a nonpublic entity can make a policy decision of whether to measure all of its liabilities incurred under share-based payment arrangements at fair value or to measure all such liabilities at intrinsic value. The Company’s policy is to measure all liabilities under SFAS No. 123(R) using the intrinsic method. This intrinsic value is then amortized on a straight-line basis over the requisite service periods of the awards, which is generally the vesting periods.

During the year ended December 31, 2007 the Company recognized $2.7 million of compensation expense related to profits interests (recognized within general and administrative expenses in the accompanying consolidated statements of income). There was no such expense during the year ended December 31, 2006. As of December 31, 2007, there was $6.0 million of unrecognized compensation expense related to nonvested profits interests awards that will be recognized over a weighted-average period of approximately 2.6 years. The Company will remeasure its liabilities under these payment arrangements at each reporting date until the profits interests are terminated or otherwise settled. In 2008, in consideration for terminating their profit interest award, certain employees received grants in Employee Holdings LLC (Employee Holdings), as discussed below. As a result, the corresponding “profits interests” liability will be reclassified to equity during 2008.

Interests in Employee Holdings LLC

In early 2008, Satellite, in its role as manager, granted certain executive-level employees equity interests in Employee Holdings. A total of 35,914 equity interests in Employee Holdings, equivalent to 2.3% interest in Parent, were issued

as a result of this grant. Employee Holdings was created solely to own certain Class B non-voting units of Parent and has no other operations. Each interest in Employee Holdings is intended to represent and is equivalent to ownership of one Class B unit of the Parent. Certain grants in Employee Holdings are fully vested on the date of grant, others vest over a three- to four-year period, in each case subject to the continued employment of the recipient. The equity interests in Employee Holdings contain restrictions on transfer and a right of first refusal and Employee Holdings has repurchase rights from the recipients in the event of a termination of service. Equity

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interests in Employee Holdings have a right to equivalent distributions to those paid to Class B unit holders of Parent, provided, however, that all such distributions are first applied toward the satisfaction of a designated threshold amount (without regard to vesting). Once the threshold amount is satisfied, distributions to holders of interests in Employee Holdings are paid with respect to vested portions of the grant and deferred with respect to unvested portions. If an employee terminates his employment with the Company, unvested equity interests are forfeited. Additionally, equity interests fully vest in certain cases in the event of a change in control of Parent or Satellite and in other cases in the event of a termination of service as a result of such a change in control of Parent or Satellite. The Class B units of Parent held by Employee Holdings are subject to the same vesting and threshold amount provisions that apply to the Employee Holdings equity interests granted to employees.

Property and Equipment

Property and equipment is carried at acquired cost less accumulated depreciation and amortization. Depreciation and amortization is calculated using the straight-line method over the following estimated useful lives:

Space system in service	14 years
Terrestrial system assets	7 years
Business support systems	5 years
Other software and equipment	3 – 5 years
Gateway and satellite equipment	7 – 10 years
Building	39 years
Leasehold improvements	Shorter of estimated useful life or remaining lease term

Repair and maintenance costs are expensed as incurred.

Long-Lived Assets

The Company assesses the impairment of long-lived assets when indicators of impairment are present. Recoverability of assets is measured by comparing the carrying amounts of the assets to the future undiscounted cash flows expected to be generated by the assets. The impairment loss of the assets would be measured as the excess of the assets' carrying amount over their fair value. Fair value is based on market prices where available, an estimate of market value, or various valuation techniques.

The carrying value of a satellite lost as a result of an in-orbit failure would be charged to operations upon the occurrence of the loss. For the year ended December 31, 2005, the Company recorded the carrying value of $0.3 million as an impairment loss related to the failure of two satellites. For the year ended December 31, 2006, the Company recorded the carrying value of $0.1 million related to the failure of one satellite as an impairment loss. There were no impairment losses recorded in 2007.

Interest

The Company capitalizes interest costs incurred during the construction phase of new assets as an element of construction in process and amortizes such costs over the assets' estimated useful lives.

Income Taxes

As a limited liability company (LLC) that is treated as a partnership for federal income tax purposes, the Company is generally not subject to federal income tax directly. Rather, each member is subject to income taxation based on the

member’s portion of the Company’s income or loss as defined in the Company’s limited liability company agreement (LLC Agreement). The Company is subject to federal excise, withholding, and payroll taxes; to state and local taxes in the United States; and to income, value-added tax, and other taxes in non-U.S. jurisdictions in which the Company operates.

The Company regularly assesses the potential outcome of current and future examinations in each of the taxing jurisdictions when determining the adequacy of accruals for tax, penalties, and interest.

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The Company has established accruals that it believes are adequate in relation to the potential for additional assessments. The Company does not believe any such tax, penalties, or interest would have a material impact on the Company's financial position.

Advertising Costs

Costs associated with advertising and promotions are expensed as incurred. Advertising expenses, primarily consisting of print media, were $0.2 million, $0.3 million and $0.2 million in each of the years ended December 31, 2007, 2006 and 2005, respectively.

Revenue Recognition

The Company derives its revenues as a wholesaler of satellite communications products and services. The primary types of revenue include airtime fixed- or flat-rate revenue, airtime usage-based revenue, contract services revenue and revenue from subscriber equipment sales.

Pursuant to wholesale agreements, the Company sells its products and services to service providers who, in turn, sell the products and services to other distributors or directly to the end users. When an end user activates service on a particular device, the Company begins charging the service provider a monthly access fee and a usage fee per minute of use. The Company does not have direct billing or other responsibilities for the end users, as the service provider sets customer pricing, executes subscription agreements, and is responsible for maintaining customer relations. The Company provides services through the service providers, who are the Company's primary customers. The U.S. government purchases its equipment from a service provider and has a fixed-fee arrangement with the Company for services.

The Company recognizes revenue when services are performed or delivery has occurred, evidence of an arrangement exists, the fee is fixed or determinable, and collection is probable.

Government Contract Revenue

The Company has two separate contracts with the Defense Information Systems Agency of the U.S. Department of Defense that have been in place since the inception of the Company. Revenues related to the services provided under both contracts are recognized ratably over the periods in which the services are provided.

The first contract, which was renewed for an additional one-year period on April 1, 2008, is to provide airtime and airtime support to U.S. government subscribers. Services furnished under the contract include Short Burst Data (SBD) services and unlimited monthly voice, data, messaging, and paging services. The U.S. government has the unilateral right to extend the term of the contract for up to four additional one-year periods.

The second contract is for the maintenance of the U.S. government's gateway in Hawaii. This contract was renewed for an additional one-year period on April 1, 2008. The U.S. government has the unilateral right to extend the term of the contract for up to four additional one-year periods.

Commercial Revenue

Revenue is generated from the Company's service providers via usage of the Iridium satellite network and through fixed monthly access fees per user charged by the Company to each service provider. Revenue for usage or traffic-driven charges is recognized when usage occurs and revenue for the fixed-per-user access fee is recognized ratably over the period in which the service is provided to the end user. Revenue from prepaid services is recognized

when usage occurs or when the customer's right to access the unused prepaid services expires. The Company does not offer refund privileges for prepaid services. As of December 31, 2007 and 2006 unused prepaid services and access fees of $19.9 million and $16.1 million, respectively, were recorded in deferred revenue in the consolidated balance sheets. Revenue for the periods ended December 31, 2007, 2006, and 2005 include the recognition of prior years' deferred revenue. Deferred service and access fees are typically earned and recognized as income within one year of customer prepayment.

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Subscriber Equipment Revenue

The Company follows the provisions of Emerging Issues Task Force Issue (EITF) No. 00-21, Revenue Arrangements with Multiple Deliverables. EITF No. 00-21 requires that revenue arrangements with multiple deliverables be divided into separate units of accounting, only if the deliverables meet certain criteria, and that all elements of an arrangement should be considered a single unit of accounting if the criteria are not met.

Through December 31, 2004, the Company considered the sale of its equipment and service a single unit of accounting due primarily to the fact that its equipment was not considered to have stand-alone value to the end user. As a result, when equipment was sold, revenue from these transactions was deferred and recognized ratably over the four-year estimated average life of the end-user relationship. In late 2004, significant evidence of a secondary market emerged providing proof of stand-alone value for Iridium subscriber equipment. As a result, the Company believes the equipment from that point forward has independent value and that equipment should be treated as a separate unit of accounting in accordance with EITF No. 00-21. The Company allocates consideration to the separate units of accounting using the relative fair value method. Accordingly, effective January 1, 2005, the Company began recognizing equipment sales and the related cost when equipment title passes to the customer. This change in accounting estimate was applied prospectively.

All previously deferred equipment revenues and related costs continue to be recognized over the remaining estimated average customer relationship period. As of December 31, 2007, $4.3 million of deferred revenue and $3.4 million of deferred costs remain unrecognized. These amounts will be recognized during 2008.

Contract Services Revenue

The Company also provides certain engineering services to assist customers in developing new technologies related to the satellite system. The revenues associated with these services are recorded when the services are rendered and the expenses are recorded when incurred. Contract services revenue pertains to all contract revenue, including both government and non-government customers. Revenue on cost-plus-fee contracts is recognized to the extent of costs incurred plus an estimate of the applicable fees earned. The Company considers fixed fees under cost-plus-fee contracts to be earned in proportion to the allowable costs incurred in performance of the contract.

Concentrations of Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents and receivables. The Company’s cash and cash equivalents are held in federally insured banks and financial institutions. The majority of this cash is swept nightly into a money market fund with a diversified portfolio. The Company performs credit evaluations of its customers’ financial condition and records reserves to provide for estimated credit losses. Accounts receivable are due from both domestic and global customers.

Significant Customers, Supplier, and Service Providers

The Company derived approximately 22%, 24% and 26% of its total revenue during the years ended December 31, 2007, 2006, and 2005, respectively, from one customer, the U.S. government. The U.S. government also accounted for approximately 41.3% and 35% of the Company’s accounts receivable balances at December 31, 2007 and 2006, respectively. During the years ended December 31, 2007, 2006, and 2005 the Company derived $101.2 million, $77.7 million, and $60.7 million, respectively, from its commercial service operations; 14% of total revenue for both 2006 and 2007 and 13% for 2005 was derived from the Company’s two largest commercial customers.

The Company acquires all of its subscriber equipment from one manufacturer. Should events or circumstances prevent the manufacturer from producing the equipment, the Company's business could be adversely affected until the Company is able to move production to other facilities of the manufacturer or secure a replacement manufacturer.

All satellite operations and maintenance services are provided by the Boeing Company. Should events or circumstances prevent Boeing from providing these services, the Company's business could be adversely affected

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until the Company is able to assume operations and maintenance responsibilities or secure a replacement service provider.

Segments

SFAS No. 131, Disclosures about Segments of an Enterprise and Related Information, establishes standards for reporting information regarding operating segments in annual financial statements. SFAS No. 131 also establishes standards for related disclosures about products and services and geographic areas. Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision maker, or decision-making group, in making decisions regarding the allocation of resources and asset performance. Pursuant to SFAS No. 131, the Company operates in one segment providing global satellite communication products and services. The information disclosed herein materially represents all of the financial information related to the Company's principal operating segment.

Asset Retirement Obligations

SFAS No. 143, Accounting for Asset Retirement Obligations, requires that legal obligations associated with retirement of long-lived assets should initially be measured at fair value and recorded as a liability. Upon initial recognition of a liability for retirement obligations, a company must record an asset, which is depreciated over the life of the asset to be retired.

Pursuant to an indemnification agreement (see Note 12) between Satellite, Boeing, Motorola, and the U.S. government, the U.S. government may, in its sole discretion, require Satellite, Boeing or either of them to immediately de-orbit the Iridium satellites at no expense to the U.S. government in the event of (a) Satellite's failure to pay insurance premiums or maintain insurance, (b) its bankruptcy, (c) its sale or the sale of any major asset in the satellite system, (d) replacing Boeing as the operator of the satellite system, (e) its failure to make certain notifications required by the agreement or (f) at any time after June 5, 2009, unless extended by the U.S. government. In the event the Company was required to effect a mass de-orbit, the Company, pursuant to the amended and restated operations and maintenance agreement with Boeing (the Amended and Restated Agreement) would be required to pay Boeing $12.9 million plus an amount equivalent to the premium for inception of Section B de-orbit insurance coverage ($2.5 million as of December 31, 2007). The Company has concluded this mass de-orbit right held by the U.S. government meets the definition of a legal obligation. Management does not believe the U.S. government will exercise this right. As a result, management believes the likelihood of any future cash outflows associated with the mass de-orbit obligation to be remote.

Pursuant to the transition services, products and asset agreement with Motorola and the Amended and Restated Agreement, Motorola has the right to cause the de-orbit of our constellation upon the occurrence of any of the following events (subject, in certain cases, to applicable notice and cure periods): (a) Iridium Holdings' bankruptcy or the bankruptcy of Constellation or Iridium Satellite; (b) a breach by Satellite of the transition services, products and asset agreement; (c) a breach by Boeing of the Amended and Restated Agreement or a related side letter; (d) an order from the U.S. government requiring the de-orbiting of the satellites; (e) changes in law or regulation that may require Motorola to incur certain costs relating to the operation, maintenance, re-orbiting or de-orbiting of Iridium Holdings' constellation system, including any terrestrial–based portion (provided that there are reasonable grounds to believe that the prompt de-orbiting of the satellites will mitigate such costs); or (f) Motorola's inability to obtain on commercially reasonable terms product liability policy to cover its position as manufacturer of the satellites (provided the U.S. government has not agreed to cover what would have otherwise been paid by such policy). Management does not believe Motorola will exercise this right. As a result, management believes the likelihood of any future cash outflows associated with the mass de-orbit obligation to be remote.

In addition, pursuant to the Amended and Restated Agreement, Boeing has the unilateral right to commence the de-orbit of the constellation upon the occurrence of any of the following events (subject, in certain cases, to applicable notice and cure periods): (a) Constellation's failure to make timely contracts payments to Boeing in accordance with the Amended and Restated Agreement; (b) the bankruptcy of Constellation or Satellite; (c) reasonable grounds for Boeing to question the financial stability of Constellation; (d) the failure for any reason of Constellation to maintain or maintain the availability of certain insurance policies; (e) the failure of Constellation to provide Boeing quarterly financial statements for Constellation and Satellite; (f) Constellation's failure to perform

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any obligation which it is required to perform pursuant to the Amended and Restated Agreement; or (g) should new or modified regulatory requirements threaten to increase the risks associated with the operation of the constellation and/or the de-orbit process or the cost of operation and/or de-orbit. Management does not believe Boeing will exercise this right. As a result, management believes the likelihood of any future cash outflows associated with the mass de-orbit obligation to be remote.

There are other circumstances in which the Company could be required, either by the U.S. government or for technical reasons, to de-orbit an individual satellite; however, management believes that such costs would not be significant in the ordinary operations of the satellite constellation.

The Company pledged to Boeing a $15.4 million letter of credit as collateral for de-orbit costs in the event the Company does not continue as a going concern. This letter of credit is cash collateralized, which is included in long-term restricted cash in the accompanying consolidated balance sheets.

Reclassifications

Certain prior-year balances have been reclassified to conform to the current year presentation.

Recent Accounting Pronouncements

In May 2008, the FASB issued SFAS No. 162, The Hierarchy of Generally Accepted Accounting Principles (SFAS No. 162). SFAS No. 162 identifies the sources of accounting principles and the framework for selecting the principles to be used in the preparation of financial statements of nongovernmental entities that are presented in conformity with generally accepted accounting principles in the United States. SFAS No. 162 will become effective 60 days following the SEC's approval of the Public Company Accounting Oversight Board (PCAOB) amendments to AU Section 411, "The Meaning of Present Fairly in Conformity With Generally Accepted Accounting Principles." The Company's adoption of SFAS No. 162 will not have a material impact on its financial statements.

In March 2008, the FASB issued SFAS No. 161, Disclosures about Derivative Instruments and Hedging Activities — an amendment of FASB Statement No. 133 (SFAS No. 161). SFAS No. 161 requires enhanced disclosures about the objectives of derivative instruments and hedging activities, the method of accounting for such instruments under SFAS No. 133 and its related interpretations, and a tabular disclosure of the effects of such instruments and related hedged items on an entity's financial position, financial performance and cash flows. SFAS No.161 is effective for fiscal years beginning after November 15, 2008, as such, will be effective beginning in the Company's fiscal year 2009. The Company is evaluating the disclosure requirements of SFAS No. 161; however, the adoption of SFAS No. 161 is not expected to have a material impact on the Company's consolidated financial statements.

In December 2007, the FASB issued SFAS No. 141R, Business Combinations (SFAS 141R). SFAS 141R requires the acquiring entity in a business combination to record all assets acquired and liabilities assumed at their respective acquisition-date fair values, changes the recognition of assets acquired and liabilities assumed arising from contingencies, changes the recognition and measurement of contingent consideration, and requires the expensing of acquisition-related costs as incurred. SFAS No. 141R also requires additional disclosure of information surrounding a business combination, such that users of the entity's financial statements can fully understand the nature and financial impact of the business combination. SFAS No. 141R applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. An entity may not apply it before that date. The provisions of SFAS No. 141R will only impact the Company if it is a party to a business combination after the pronouncement has been adopted.

In February 2007, the FASB issued SFAS No. 159, The Fair Value Option for Financial Assets and Financial Liabilities, including an amendment of FASB Statement No. 115 (SFAS No. 159). SFAS No. 159 permits entities to choose to measure many financial instruments and certain other items at fair value that are not currently required to be measured at fair value.

Unrealized gains and losses on items for which the fair value option has been elected are reported in earnings. SFAS No. 159 does not affect any existing accounting literature that requires certain assets and liabilities to be

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carried at fair value. SFAS No. 159 will be effective for the Company on January 1, 2008. The Company will not adopt the alternative provided in this statement.

In September 2006, the FASB issued SFAS No. 157, Fair Value Measurements (SFAS No. 157). SFAS No. 157 defines fair value, establishes a framework for measuring fair value in accordance with generally accepted accounting principles, and expands disclosures about fair value measurements. In February 2008, the FASB issued FSP No. 157-1, Application of FASB Statement No. 157 to FASB Statement No. 13 and Other Accounting Pronouncements That Address Fair Value Measurements for Purposes of Lease Classification or Measurement under Statement 13 and FSP No. 157-2, Effective Date of FASB Statement No. 157 as amendments to SFAS No. 157, which exclude lease transactions from the scope of SFAS No. 157 and also defer the effective date of the adoption of SFAS 157 for non-financial assets and non-financial liabilities that are nonrecurring. In October of 2008, the FASB issued FSP No. 157-3, Determining the Fair Value of Financial Assets When the Market for That Asset is Not Active, as an amendment to SFAS No. 157, clarifying the application of SFAS No. 157 in a market that is not active. The provisions of SFAS No. 157 are effective for the fiscal year beginning January 1, 2008, except for certain non-financial assets and liabilities for which the effective date has been deferred to January 1, 2009. The Company is currently evaluating the effect, if any, the adoption of SFAS 157 will have on its financials statements.

In September 2006, the EITF reached a consensus on EITF Issue No. 06-1, Accounting for Consideration Given by a Service Provider to Manufacturers or Resellers of Equipment Necessary for an End-Customer to Receive Service from the Service Provider (EITF 06-1). EITF 06-1 provides that consideration provided to the manufacturers or resellers of specialized equipment should be accounted for as a reduction of revenue if the consideration provided is in the form of cash and the service provider directs that such cash be provided directly to the customer. Otherwise, the consideration should be recorded as an expense. The provisions of EITF 06-1 will be effective on January 1, 2008. The Company is currently assessing the impact, if any, the adoption of EITF 06-1 will have on its financial statements.

In June 2006, the Financial Accounting Standards Board (FASB) issued FASB Interpretation (FIN) No. 48, Accounting for Uncertainty in Income Taxes—an Interpretation of FASB

Statement No. 109. FIN No. 48 requires that management determine whether a tax position is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. Once it is determined that a position meets this recognition threshold, the position is measured to determine the amount of benefit to be recognized in the financial statements. The FASB deferred the effective date of FIN 48 for certain non-public enterprises to annual periods beginning after December 15, 2008. The Company will adopt the provisions of FIN No. 48 effective January 1, 2009. The Company is currently evaluating the effect, if any, the adoption of FIN No. 48 will have on its financial statements.

3. Transition Services, Products and Asset Agreement

General

On December 11, 2000, Parent and Satellite entered into the Transition Services, Products and Asset Agreement (TSA) with Motorola. Certain obligations under the TSA have been fully performed, including Motorola’s provision of services and transfers of assets, but other obligations are on-going, as described below.

The TSA requires that the Company use Boeing to provide continuing steady-state operations and maintenance services with respect to the Satellite Network Operations Center, Telemetry, Tracking and Control stations and the on-orbit satellites (collectively, the Iridium System) (see Note 4). These services include the removal of satellites in the constellation from operational or storage orbits and preparation for re-entry into the earth’s atmosphere. In addition,

the Company must (i) obtain and pay the premium for an in-orbit insurance policy on behalf of Boeing and certain other beneficiaries (see Note 9), (ii) pay the premiums for an aviation products liability insurance policy obtained by Motorola, and (iii) maintain on deposit with Motorola an amount that at all times equals 150% of the current year's annual premium. The deposit of $0.8 million is classified within deferred financing costs and other assets in the accompanying consolidated balance sheets.

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Motorola Payables

Pursuant to the TSA, Class B Units were issued to Motorola in consideration of Motorola's transfer of certain licenses and equipment. These units have certain limited anti-dilution provisions, as defined in the TSA.

The TSA also provides for the payment to Motorola of $7.25 million plus certain accrued interest upon the occurrence of a "triggering event." A triggering event is defined as any change of control as specified therein, an initial public offering by Parent or Satellite, a sale of all or a material portion of the assets of Parent or Satellite, or upon reaching the date of December 11, 2010. This amount consists of two components: (i) a $6.0 million commitment fee and (ii) $1.25 million of deferred equipment financing (plus accrued interest from the effective date of the TSA to the date of payment at an annual interest rate of prime plus 3%).

The Company discounted the $6.0 million commitment fee at an imputed rate of 12.5% over 10 years, resulting in an original issue discount of $4.2 million. The net liability is included in the Motorola payable in the accompanying consolidated balance sheets as of December 31, 2007 and 2006, respectively.

4. Boeing Operations and Maintenance Agreement

On December 11, 2000, Constellation entered into an operations and maintenance agreement (the original O&M Agreement) with Boeing, pursuant to which Boeing agreed to provide transition services and continuing steady-state operations and maintenance services with respect to the Iridium System (including engineering, systems analysis, and operations and maintenance services). Since that time, there have been a number of amendments, including an amended and restated operations and maintenance agreement (the Amended and Restated Agreement). As a result of these various amendments, the period of performance has been extended to be concurrent with the useful life of the constellation, the schedule of monthly payments has been revised and a cost escalation according to a prescribed formula is now included. A provision has been included for the payment of all deferred amounts due to Boeing under the original O&M Agreement, and the Company agreed to make certain revenue-based payments.

The Amended and Restated Agreement incorporates a revised de-orbit plan, which, if exercised, would cost $12.9 million plus an amount equivalent to the premium for inception of Section B de-orbit insurance coverage (see Note 9) to be paid to Boeing in the event of a mass de-orbit of the satellite constellation.

Under the Amended and Restated Agreement, the Company incurred expenses of $47.0 million, $47.2 million, and $44.6 million relating to satellite operations and maintenance costs for the years ended December 31, 2007, 2006 and 2005, respectively.

As a condition precedent to any Boeing obligations under the original O&M Agreement, the Company was required to make refundable deposits to Boeing to cover potential future de-orbiting costs, in-orbit insurance policies (including the cost of coverage under a de-orbit endorsement), and two months of steady-state operations and maintenance. As subsequently amended, in part as a result of a new approach identified for the de-orbit process of the satellite constellation that reduced the overall estimated de-orbit time, in lieu of refundable deposits the Company issued an irrevocable standby letter of credit for the benefit of Boeing to cover the de-orbit insurance premium in the amount of $2.5 million as of December 31, 2005. During 2006, the $2.5 million letter of credit was replaced with a $15.4 million letter of credit in return for Boeing's release of the additional collateral security it held (namely, the Company's building located in Tempe, Arizona; the SNOC located in Leesburg, Virginia; and certain equipment in the Company's Technical Service Center located in Chandler, Arizona).

The Amended and Restated Agreement provided for Boeing to receive an additional fee of 5% of any amounts distributed to Class A or Class B members of the Company to the extent that such distributions did not constitute a

return of members' capital contributions or distributions in respect of the members' tax liabilities. Boeing was entitled to receive, upon any sale or exchange of substantially all of the interests of the Class A and B members to an unrelated third party, 5% of the aggregate amount received by the Class A and B members. In 2007, the Company and Boeing agreed to terminate Boeing's right to this additional fee in exchange for a payment of $7.8 million. This payment was amortized to satellite operations and maintenance expense in the accompanying statements of income during 2007. The remaining balance of $6.9 million is included in prepaid expenses ($1.2 million in current assets and $5.7 million in long term) in the accompanying consolidated balance sheets as of December 31, 2007 and will be amortized ratably to network and satellite operations and maintenance expense through December 2013.

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5. Property and Equipment

Property and equipment consists of the following:

	December 31,	
	2007	2006
	(In Thousands)	
Space system in service	$ 47,332	$ 47,176
Terrestrial system assets	9,453	8,266
Business support systems	9,308	8,449
Capitalized software	10,601	8,760
Building, equipment, and leasehold improvements	25,928	15,700
	102,622	88,351
Less: accumulated depreciation	(57,426)	(46,437)
	45,196	41,914
Construction in process	14,763	8,734
Property and equipment, net	$ 59,959	$ 50,648

At December 31, 2006, construction in process consisted of assets being developed or constructed for building, equipment, and leasehold improvements of $5.4 million, capitalized software of $1.8 million, business support systems of $0.7 million, and terrestrial system assets of $0.8 million. At December 31, 2007 construction in process consisted of assets being developed or constructed for building, equipment, and leasehold improvements of $1.2 million, capitalized software of $13.3 million, business support systems of $0.1 million, and terrestrial system assets of $0.2 million.

The Company capitalizes interest costs associated with the construction of capital assets for business operations and amortizes the cost over the assets' useful lives beginning when the asset is placed in service. The Company capitalized $0.8 million and $0.6 million of interest during 2007 and 2006, respectively.

6. Prior Credit Facilities

Under a $65.5 million loan, receivables purchase, and security agreement, Satellite previously maintained a $10.0 million revolving facility, a $6.9 million term facility, a $12.0 million Motorola letter of credit facility, a $29.6 million Receivables Purchase Arrangement, and a $7.0 million Boeing letter of credit facility. On July 27, 2006, these facilities were paid in full with proceeds from the First and Second Lien Credit Agreements (see Note 7).

Certain of the Company's members had provided collateral to fully secure the Company's borrowings pursuant to this facility in the form of cash and letters of credit expiring January 31, 2007. This collateral was released back to the Company's members on July 27, 2006.

Bank of America Credit Agreement

On May 27, 2005, the Company entered into a $32.0 million credit agreement with Bank of America (the B of A Credit Agreement) consisting of a $27.0 million term loan (the B of A Term Loan) and a $5.0 million revolving line of credit (collectively, with the B of A Term Loan, the B of A Facility). Proceeds of the B of A Term Loan were used, together with other funds, to pay the $33.7 million remaining balance of the Motorola Note in May 2005. The B of A Facility required monthly principal payments starting with the month ending June 30, 2005, through the maturity date of May 27, 2007. The $19.2 million remaining balance of the B of A Facility was paid in full on July 27, 2006 with

proceeds from the First and Second Lien Credit Agreements (see Note 7).

7. First and Second Lien Credit Agreements

On July 27, 2006, the Company entered into a $170.0 million first lien credit facility and $40.0 million second lien credit facility. The facilities include a $98.0 million four-year first lien Tranche A term loan facility, a $62.0 million five-year first lien Tranche B term loan facility, and a $40.0 million six-year second lien term loan facility.

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In addition, the facilities include a $10.0 million three-year revolving credit facility. The proceeds of the credit facilities were used to repay the Company's existing credit facilities, provide cash collateral for letters of credit, return capital to the Company's equity investors and for general corporate purposes including development of new and advanced devices and services.

Mandatory principal prepayments are required based on net cash proceeds related to debt or equity issuances and certain dispositions, as is a mandatory prepayment of 75% of excess cash flow, determined by a defined formula. The Company must also maintain hedge agreements in order to provide interest rate protection on a minimum of 50% of the aggregate principal amounts outstanding during the first three years of the credit facilities. As a result, the Company entered into four interest rate swap agreements upon the closing of the credit facilities that ranged in duration from one to four years and collectively in July 2006 provided interest rate protection on $170.0 million (see Note 2).

The First and Second Lien Credit Agreements require the Company to abide by various covenants primarily related to limitations on liens, indebtedness, sales of assets, investments, dispositions, distributions to members, transactions with affiliates and certain financial covenants with respect to its consolidated leverage ratio on a quarterly basis. Substantially all of the Company's assets are pledged as collateral for the facilities.

$10.0 million First Lien Revolving Credit Facility

The proceeds of the revolving credit facility may be used for general corporate purposes of the Company. The revolving credit facility matures on July 27, 2009. The Company paid an up-front fee of 2% on the revolving facility ($0.2 million) and pays an annual unused facility fee of 0.5% on the available balance of the commitment on a quarterly basis. As of December 31, 2007, the Company had not drawn any amounts under the revolving credit facility.

$98.0 million First Lien Tranche A Term Loan

The Tranche A term loan matures on June 30, 2010, and requires quarterly principal payment amounts ranging from $2.25 million to $9.75 million. Quarterly interest payments are also made. The Company elected the Eurodollar base interest rate, which, including the applicable margin of 4.25%, was 9.24% and 9.63% at December 31, 2007 and 2006 respectively. As of December 31, 2007, the Company has elected to make optional pre-payments (without penalty) out of excess cash on hand of the payments due through June 2008. These prepayments total $13.2 million. The Company can prepay the First Lien Tranche A term loan in its entirety at 101% through July 27, 2008 and at par thereafter. At December 31, 2007, the outstanding principal balance was $63.9 million.

$62.0 million First Lien Tranche B Term Loan

The Tranche B term loan matures on July 27, 2011, and requires quarterly principal payment amounts starting on September 30, 2010 in the amount of $15.1 million. Quarterly interest payments are also made. The Company elected the Eurodollar base interest rate, which including the applicable margin of 4.25%, was 9.24% and 9.63% at December 31, 2007 and 2006, respectively. The Company can prepay the First Lien Tranche B term loan in its entirety at 101% through July 27, 2008 and at par thereafter. At December 31, 2007, the outstanding balance was $60.5 million.

$40.0 million Second Lien Term Loan

The Second Lien term loan matures on July 27, 2012, at which time the entire $40.0 million principal amount is due. The Company elected the Eurodollar base interest rate, which including the applicable margin of 8.25%, was 13.24% and 13.63% at December 31, 2007 and 2006 respectively. The Company is required to make quarterly interest

payments.

The Second Lien term loan is not prepayable in the first year but the Company can prepay the loan in its entirety at 102% through July 27, 2008, 101% through July 27, 2009 and at par thereafter. At December 31, 2007, the outstanding balance was $40.0 million.

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Commitments Under First and Second Lien Credit Facilities at December 31, 2007

The scheduled annual principal payments on the First and Second Lien Credit Agreements for each of the next five years are as follows (in thousands):

2008	$ 12,933
2009	33,317
2010	48,394
2011	29,831
2012	40,000
	$ 164,475

8. Motorola Note Agreement

On December 11, 2000, Satellite and Motorola entered into a Senior Subordinated Term Loan Agreement (the Note Agreement), pursuant to which Satellite borrowed $30 million from Motorola, as evidenced by a senior subordinated term note (the Motorola Note) dated December 11, 2000. The principal amount of, and all interest accrued on, the Motorola Note, was paid in full on May 27, 2005 with proceeds of the B of A Term Loan (see Note 6). However, as detailed below, certain payment obligations survive this repayment.

Under the Note Agreement, Satellite is required to pay Motorola a commitment fee of $5.0 million upon the earlier of December 11, 2010, or the occurrence of a trigger event. A trigger event is defined as any change of control specified therein, an initial public offering by Parent or Satellite, or a sale of all or a material portion of the assets of Parent or Satellite. The Company is accruing the commitment fee through December 2010 using the effective-interest method.

As of December 31, 2007 and 2006, the Company’s liability approximated $3.5 million and $3.1 million, respectively, and is included in the Motorola payable (see Note 3) in the accompanying consolidated balance sheets.

Additionally, in the event of a “distribution event”, defined in the Note Agreement as a dividend or other distribution (in the form of cash or otherwise), acquisition for value, or an initial public or secondary offering, in each case relating to equity interests in Parent, Satellite is required to pay Motorola a loan success fee equal to the amount that a holder of Class B units in the Parent representing 5% of the total number of issued and outstanding units (both Class A and B) would have received in the distribution event. During 2006, the Company paid Motorola $1.6 million under this provision of the Note Agreement, which is included in interest expense in the accompanying consolidated statement of income for the year ended December 31, 2006.

Finally, in addition to the above obligations, upon the first to occur of a change of control as specified in the Note Agreement or the sale of all or a material portion of the assets of Parent or Satellite, Satellite is required to pay an amount equal to the lesser of (i) the value of the consideration that a holder of Class B units in the Parent representing 5% of the total number of issued and outstanding units (both Class A and B) would have received in the transaction and (ii) an amount to be determined based on a multiple of earnings before interest, taxes, depreciation, and amortization less the amount of the $5.0 million commitment fee discussed above which has been or is being paid concurrently.

9. Commitments and Contingencies

Purchase Commitments

The Company entered into a manufacturing agreement with Celestica Corporation to manufacture subscriber equipment, which contained minimum monthly purchase requirements of 2,000 L-Band transceivers, short burst data devices and / or satellite phones per month. As a result of customer demand for subscriber equipment, the Company's purchases have exceeded the monthly minimum requirement, which converted from units to dollars ranges from $0.4 million to $1.0 million per month, depending on the type of equipment purchased. The Company has issued a $2.9 million letter of credit to Celestica Corporation as collateral for certain component parts purchase commitments Celestica makes on behalf of the Company for component parts required.

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Unconditional purchase obligations for subscriber equipment and various goods and services totaled $18.4 million at December 31, 2007, and are expected to be fulfilled within one year.

Unconditional purchase obligations under the Boeing Amended and Restated Agreement totaled $300.4 million at December 31, 2007. The Company expects to make annual cash payments of $50 million through December 31, 2013 in fulfillment of these purchase obligations.

In-Orbit Insurance

As part of the TSA, the Company was required to obtain an in-orbit insurance policy with a de-orbiting endorsement to cover any potential claims relating to operating or de-orbiting the satellite constellation. This includes the possibility of a planned or unplanned de-orbiting of one or more of the satellites in the satellite constellation or the maintenance in orbit of one or more of the satellites after a decision is made to de-orbit the constellation. The policy covers Satellite, Boeing as operator (see Note 4), Motorola (the original system architect and prior owner), Lehman Commercial Paper, Inc., contractors and subcontractors of the insured, the Government of the United States of America, and certain other sovereign nations.

The policy has been renewed annually on its anniversary date, December 12, since the expiration of the original policy's three-year term in 2003. The current policy has a one-year term, which expires December 12, 2008. The policy coverage is separated into Sections A and B. Liability limits for claims under each of Sections A and B are $500 million per occurrence and $1 billion in the aggregate. The deductible for claims is $250,000 per occurrence.

Section A coverage is currently in effect and covers risks in connection with in-orbit satellites. Section B coverage is effective once requested by the Company (the Attachment Date) and covers risks in connection with a decommissioning of the satellite system. The terms of the coverage under Section B are 12 months from the Attachment Date for a premium totaling $2.5 million, payable on or before the Attachment Date. As of December 31, 2007, the Company had not requested Section B coverage since no decommissioning activities are currently expected.

The balance of the unamortized premium payment is included in prepaid expenses and other current assets in the accompanying consolidated balance sheets. The Company has not accrued for any deductible amounts related to either Section A or B of the policy as of December 31, 2007, since management believes that the likelihood of an occurrence is remote.

Operating Leases

The Company leases land, office space, and office and computer equipment under noncancelable operating lease agreements. Most of the leases contain renewal options of 1 to 10 years. The Company's obligations under the current terms of these leases extend through 2014.

Additionally, several of the Company's leases contain clauses for rent escalation including but not limited to a pro-rata share of increased operating and real estate tax expenses. Rent expense is recognized pursuant to SFAS No. 13, Accounting for Leases, on a straight-line basis over the lease term.

Future minimum lease payments, by year and in the aggregate, under noncancelable operating leases with remaining terms of one year or more at December 31, 2007, are as follows (in thousands):

	Operating Leases
2008	$ 1,246

2009	1,267
2010	1,296
2011	1,326
2012	1,351
Thereafter	1,608
	$ 8,094

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Rental expense during the years ended December 31, 2007, 2006 and 2005 was $1.4 million, $1.2 million and $1.1 million, respectively.

Contingencies

From time to time, the Company is involved in various litigation matters involving ordinary and routine claims incidental to our business. Management currently believes that the outcome of these proceedings, either individually or in the aggregate, will not have a material adverse effect on the Company's business, results of operations or financial condition. The Company is involved in certain litigation matters as discussed below.

The Company, a director, and a former officer were named as defendants in a lawsuit commenced in 2007 by a former member of the Company's Board of Directors (Plaintiff). The lawsuit alleges, among other things, defamation and tortuous interference with the Plaintiff's economic/business relationship with his principal, an investor in the Company. These actions seek compensatory and other damages, and costs and expenses associated with the litigation. Management believes that the lawsuit is without merit, although no assurance can be given in this regard, or as to what relief, if any, might be granted if the Plaintiff were to be successful in this lawsuit.

Satellite System Development

Licenses to build, launch, and operate a "second-generation" satellite communication system in the 2GHz band were issued by the FCC to Motorola and seven other applicants on July 17, 2001. The license issued to Motorola, for a 96-satellite constellation, was transferred to Satellite in February 2002 and subsequently transferred (with FCC approval) by Satellite to its wholly owned subsidiary Iridium 2GHz LLC (Iridium 2GHz). In order to satisfy the first FCC milestone requirement for retaining this license, Satellite entered into a contract with Boeing Satellite Systems, Inc. on July 12, 2002 to provide a system. Boeing charged the Company $14.0 million for the development of the plan, which was reflected as research and development in the 2003 statement of operations. This $14.0 million fee accrued interest at the rate of LIBOR plus 10%.

Effective January 19, 2005, Iridium 2GHz granted to an independent third party an option to acquire its license to build the 2GHz system for consideration of $2.0 million. This option price was paid at the time of execution of the option and was non-refundable. Effective January 31, 2005, Iridium 2GHz executed a settlement agreement and release with Boeing, which relieved Iridium 2GHz of any obligation to pay the amounts previously incurred for satellite design, including the $16.5 million obligation previously accrued (principal and interest). Accordingly, the Company recorded the release of this liability as a $14.0 million reduction of operating expenses and $2.5 million reduction of interest expense during 2005. On March 23, 2005, at the request of the independent third party, notice was given to Boeing that the satellite construction contract was terminated and Iridium 2GHz voluntarily surrendered its license to the FCC.

10. Members' Equity in Parent

Classes of Membership Units

Pursuant to the Amended and Restated Limited Liability Company Agreement, as amended (LLC Agreement), the members' interests in the Parent are divided into Class A and Class B units. Currently there are 1,083,872 Class A Units outstanding and 455,209 Class B units outstanding at December 31, 2007.

A description of each of the classes of membership units follows:

Class A Units—All voting rights of the members are vested in the Class A units. Class A members whose agreed capital commitments are at least $10.0 million or $20.0 million are entitled to appoint, remove, or replace one or two directors to the Board of Directors of the Parent (the Board), respectively. Those directors designated by a Class A member who is not in default of its obligations to make capital contributions or provide credit enhancements for the benefit of the Company are entitled to cast, in the aggregate, such number of votes as equals the member's agreed capital commitment divided by $10.0 million, rounded down to the nearest whole number, allocated among the directors (if such member has appointed more than one) as the member may specify. In addition, the current Chairman of the Parent is entitled to cast one vote.

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The Class A members may manage the Company only through their designated directors and have no authority in their capacity as members to act on behalf of or bind the Company. The Board may issue additional Class A units, but the Class A members have the preemptive right to participate unless such offering involves a business acquisition or combination. To the extent a Class A member declines to exercise its preemptive right, the other Class A members succeed to such right on a proportionate basis. In addition, Class A members have a right of first refusal on proposed sales of both Class A and Class B units by other members.

Each Class A member has the right to receive the return of its capital contributions before any distributions are made to Class B members. As of December 31, 2007, all capital contributions had been repaid to Class A members.

Class B Units— Pursuant to the LLC Agreement members holding Class B units have rights that expressly exclude any right to vote for or appoint directors. Additionally, Class B members receive no distributions until such time as the Class A members have received the return of their full capital contributions. Distributions to certain Class B members are also subject to limitations regarding vesting conditions and satisfaction of threshold amounts. The Board may issue additional Class B units provided, however, that without the approval of two-thirds of the number of votes entitled to be cast by the directors, the number of Class B units issued or reserved for issuance may not exceed a certain percentage of the total number of Class A units and Class B units then issued or reserved for issuance.

Options to Acquire Class A Units

Pursuant to the terms of the LLC Agreement, in June 2002, the Board granted Class A members who furnished credit enhancements on the Company's behalf options to acquire a total of 303,972 Class A units of the Parent at a price of $214.29 per unit. These options were exercisable only if the credit enhancement provided by the Class A member for the benefit of the Company was called and the Parent did not reimburse the Class A member within 10 business days.

In July 2006, the Parent's Class A members assigned their rights in respect of the credit enhancements to the Parent in response to a capital call and their capital accounts were increased accordingly. Shortly thereafter, in connection with the Company's execution of a new credit facility (see Note 7), the credit enhancements were returned to the members and recorded as a distribution to the Class A members in an amount equal to the face amount of the credit enhancements. As a result of the refinancing, the credit enhancements were no longer outstanding and therefore, the options issued in respect of such credit enhancements were canceled. There are no options outstanding as of December 31, 2007.

Warrants to Acquire Class A Units

In June 2002 certain members received warrants to acquire 488,358 additional Class A units. In July 2006, the holders exercised all outstanding warrants and an additional 488,358 Class A units were issued. There are no warrants to acquire Class A units outstanding at December 31, 2006 or 2007.

Allocation of Profits and Losses

The LLC Agreement provides that Parent profits or losses for any fiscal year will be allocated among the members as follows: For losses (i) to each of the members to the extent of (1) the aggregate amount of profit allocated to such member for prior fiscal years reduced by (2) the aggregate amount of loss allocated to such member in prior fiscal years, in proportion to the aggregate net profit for prior years of all the members then, (ii) to each of the members having a positive capital account balance to the extent of and in proportion to such balances, thereafter, (iii) in accordance with the members' respective percentage interests. For profits, (i) to each of the members to the extent of (1) the aggregate amount of losses allocated to such member in prior fiscal years reduced by (2) the aggregate amount of profit allocated to such member in prior fiscal years in proportion to the aggregate net loss for prior years of all the

members, thereafter (ii) in accordance with the members' respective percentage interests.

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Distributions

The Board determines available cash flow for distribution, but any such distribution may be made only in accordance with the following priorities: (i) to return to the Class A members their capital contributions not previously returned in proportion to the aggregate amount then remaining unreturned, then (ii) after the capital contributions of the Class A members have been returned in full, to all of the members in accordance with their respective percentage interests.

It is the Parent's intent to distribute to all of the members such amounts as the Board from time to time determines are necessary to defray the federal, state, and local income tax liabilities incurred by the members as a result of including in their gross income their distributive share of the Parent's income and gain, taking due account of the members' marginal tax rates and the amount of any losses allocated to them in prior years. However, the Company's credit facilities contain covenants that restrict the amount of distributions the Parent can make to its members.

The net proceeds of a liquidation of the Parent's assets and properties in connection with the winding up of the Company are applied as follows: (i) payment of the debts and liabilities of the Parent (including those owed to members) and the expenses of liquidation; (ii) setting up of such reserves as the person charged with winding up the Parent's affairs may reasonably deem necessary for any contingent liabilities or obligations. The balance of such reserves, if any, shall be distributed to the members in the priority set forth above.

In July 2006, in connection with the execution of the Company's credit facilities (see Note 7), and in accordance with the LLC Agreement, the Parent distributed $127.6 million (in the form of cash and return of previously contributed credit enhancements) to the Class A members as a return of capital and distributed an additional $31.2 million to both the Class A and the Class B members on a pro rata.

Transfer of Interests

Except for a transfer to an affiliate, no member has the right to transfer all or any part of such member's units in the Parent, and no transferee is entitled to become a substituted member or to exercise any of the rights of a member, except with the consent of two-thirds of the total number of votes entitled to be cast by all of the directors of the Parent.

Subscription Agreements

Pursuant to subscription agreements executed in December 2000 and additional capital commitments in February and April 2001, the Class A members committed to contribute capital of $131.5 million, payable in installments as from time to time determined by the Board. Certain of the Class A members had also provided credit enhancements to support a portion of the Company's credit facilities (see Note 7 and discussion above) in the form of cash deposits and letters of credit. All credit enhancements were returned to the Class A members in 2006.

Indemnification

The LLC Agreement provides that the Parent will indemnify its members, officers, directors and employees for liability and expenses incurred by any such person to the fullest extent permitted by law for actions taken in good faith on behalf of the Parent if such actions were reasonably believed to be within the scope of authority conferred to the person by the Parent or in accordance with the LLC Agreement.

Issuance/Forfeitures of Class B Units

During the year ended December 31, 2006, the Parent issued (subject to vesting requirements) an additional 11,397 Class B units to Employee Holdings for the benefit of management personnel (representing 0.75% of the total outstanding units of the Parent at December 31, 2006).

During the year ended December 31, 2007, the Parent issued (subject to vesting requirements) an additional 15,390 Class B Units for the benefit of management personnel (representing 1.0% of the total outstanding units of the Parent at December 31, 2007). A member of Employee Holdings left the Company during 2007 forfeiting an

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equivalent of 1,539 unvested units in the Parent (representing 0.1% of the total outstanding units of the Parent at December 31, 2007).

Class B unit issuances described above contain anti-dilution rights that allow the holders to maintain their percentages of ownership, subject to certain limits. During the year ended December 31, 2007, an adjustment to increase Class B units by 5,655 units was recorded given the anti-dilution rights from the transactions described above.

11. Employee Benefit Plan

The Company sponsors a defined-contribution 401(k) retirement plan (the Plan) that covers all employees of the Company. Employees are eligible to participate in the Plan ninety days from the date of hire, and participants are 100% vested from the date of eligibility. The Company matches employees' contributions equal to 100% of the salary deferral contributions up to 5% of the employees' compensation. Company-matching contributions to the Plan were $0.6 million, for the year ended December 31, 2007 and $0.5 million for each of the years ended December 31, 2006 and 2005, respectively. The Company pays all administrative fees related to the Plan.

12. Indemnification Agreement

Satellite, Boeing, Motorola, and the U.S. government entered into an agreement effective December 5, 2000 that provided, among other things, the following: (i) Satellite agrees to maintain satellite liability insurance (see Notes 3 and 9), (ii) Boeing agrees to maintain aviation and space liability insurance, (iii) Motorola agrees to maintain an Aviation Products—Completed Operations Liability Insurance policy, and (iv) the U.S. government may, in its sole discretion, require Satellite, Boeing or either of them to immediately de-orbit the Iridium satellites at no expense to the U.S. government in the event of (a) Satellite's failure to pay insurance premiums or maintain insurance, (b) its bankruptcy, (c) its sale or the sale of any major asset in the satellite system, (d) replacing Boeing as the operator of the satellite system, (e) its failure to make certain notifications required by the agreement or (f) at any time after June 5, 2009, unless extended by the U.S. government. However, as discussed in Note 2, the Company has no reason to believe the U.S. government will exercise this right.

13. Geographic Information

Revenue by geographic area for the years ended December 31:

	2007	2006	2005
		(In Thousands)	
United States	$ 125,251	$ 102,194	$ 91,860
Canada	44,211	33,576	28,635
France	30,186	17,762	2,478
Netherlands	2,671	9,876	23,130
Other Countries (1)	58,582	49,004	41,597
	260,901	212,412	187,700

(1) No other country represents more than 10% of revenue for any of the periods indicated.

Revenues are attributed to geographic area based on the billing location of the customer. The Company does not bare foreign exchange risk on sales, as invoices are denominated in United States dollar.

Net property and equipment by geographic area:

	December 31, 2007	December 31, 2006
	(In Thousands)	
United States	$ 38,486	$ 27,341
Unallocated	20,087	22,851
All others	1,386	456
	59,959	50,648

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Unallocated net property and equipment consists of satellites in orbit and equipment in international waters.

14. Subsequent Events

Material Definitive Agreements

On September 22, 2008, a transaction agreement was executed among, Iridium Holdings LLC, GHL Acquisition Corp. ("GHQ") and owners of equity interests in Iridium Holdings LLC (the "Sellers"), pursuant to which GHQ will acquire the Sellers' equity interests of Iridium Holdings LLC, and the equity interest in two third party entities (the "Acquisition"). GHQ is a blank check company formed on November 2, 2007 for the purpose of acquiring one or more businesses or assets. The Acquisition must be approved by a majority of the GHQ public stockholders. In addition, the Acquisition will only be approved if GHQ public stockholders owning 11,999,999 shares or less vote against the proposal and seek to exercise their conversion rights. Upon completion of the Acquisition, the Sellers are expected to receive an aggregate of 36.0 million shares of GHQ common stock and $77.1 million of cash, subject to adjustment. In addition, 90 days following the close of the Acquisition, if Iridium Holdings has in effect a valid election under Section 754 of the Internal Revenue Code of 1986, as amended, GHQ will make a tax benefits payment of up to $30.0 million in aggregate to certain sellers to compensate them for tax basis step-up, if applicable.

Concurrently with the signing of the transaction agreement, Iridium Holdings LLC and Greenhill & Co. Europe Holdings Limited ("Greenhill Europe"), an affiliated company to GHQ, entered into an agreement for Greenhill Europe to purchase a $22.9 million convertible subordinated promissory note of Iridium Holdings LLC (the "Note"). Greenhill Europe acquired the Note on October 24, 2008, following the consent of certain Iridium Holdings LLC lenders (see Amendment to Credit Lien Facilities, below). Greenhill Europe has the option to convert the Note into Iridium Holdings units at a price of $272.87 per unit upon the later of (i) October 24, 2009 ("first anniversary") and (ii) the closing or the termination of the Acquisition. If the closing occurs after the first anniversary, upon the exercise of its conversion rights, Greenhill Europe will be entitled to receive 2.290 million shares of GHQ common stock. If the closing occurs prior to September 22, 2009, GHQ and Greenhill Europe will enter into an agreement which will entitle Greenhill Europe to exchange, upon the first anniversary of the issuance of the Note, all Iridium Holding units received in conversion of the Note for 2.290 million shares of GHQ common stock, subject to adjustments.

Amendment to Credit Facilities

On October 17, 2008, the Company entered into Amendment No. 1 to the first lien credit facility (First Lien Amendment) and Amendment No. 1 to the second lien credit facility (Second Lien Amendment). The First Lien Amendment and Second Lien Amendment included the consent of the respective lenders to the issuance of the Note.

Pursuant to the First Lien Amendment, the Company and its requisite lenders agreed to, among other things: (i) increase the applicable margin on Eurodollar loans by 75 basis points to 5%; (ii) increase permitted capital expenditures for fiscal year 2008 and fiscal year 2009; (iii) permit distributions of up to $37.9 million to the members of the Company in fiscal 2008; (iv) require the Company to prepay $80.0 million of the outstanding balance if the Acquisition is consummated and $15.0 million if the Acquisition is not consummated by June 29, 2009; and (v) to amend the definition of "Change of Control" to apply to the post-Acquisition public company. Upon the execution of the First Lien Amendment, the Company prepaid $22.0 million of its outstanding balance under the first lien credit facility.

Pursuant to the Second Lien Amendment, the Company and its requisite lenders agreed to, among other things: (i) increase the applicable margin of Eurodollar loans by 75 basis points to 9%; (ii) increase permitted capital expenditures for fiscal year 2008 and fiscal year 2009; (iii) permit distributions of up to $37.9 million to the members of the Company in fiscal 2008; and (iv) amend the definition of "Change of Control" to apply to the post-Acquisition

public company.

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Counterparty Risk

The Company may be subject to counterparty risk associated with future access to its $10.0 million first lien revolving credit facility (see Note 7), as the counterparty to the credit facility (Lehman Brothers) filed for bankruptcy in calendar year 2008.

Distributions

The Company made distributions of $3.0 million and $2.8 million in March and April 2008 to Class A and B members. The Company also made a distribution of $34.9 million in November 2008 to Class A and B members. As a result of these distributions, the Company paid Motorola $2.2 million in loan success fees as required under the Motorola Note Agreement.

Iridium Holdings LLC

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Consolidated Balance Sheets

(Unaudited)

	September 30, 2008	December 31, 2007
	(In Thousands, Except Unit Data)	
Assets		
Current assets:		
Cash and cash equivalents	$ 64,582	$ 22,105
Restricted cash	3,020	3,020
Accounts receivable, net	44,931	35,114
Inventory	16,144	14,156
Deferred cost of sales, current portion	184	3,408
Prepaid expenses and other current assets	3,451	2,539
Total current assets	132,312	80,342
Property and equipment, net	61,827	59,959
Restricted cash	15,400	15,400
Deferred financing costs and other assets	10,210	11,880
Total assets	$ 219,749	$ 167,581
Liabilities and members' deficit		
Current liabilities:		
Accounts payable	$ 6,667	$ 2,361
Accrued expenses and other current liabilities	30,026	28,258
Credit facility, current portion	32,639	12,933
Deferred revenue, current portion	24,849	24,152
Total current liabilities	94,181	67,704
Accrued satellite operations and maintenance expense, net of current portion	10,516	12,372
Motorola payable	10,575	9,761
Credit facility	127,521	151,542
Other long-term liability	4,134	4,649
Total liabilities	246,927	246,028
Commitments and contingencies (Note 9)		
Members' deficit:		
Members' units:		
Class A units (1,083,872 units issued and outstanding)	-	—
Class B units (518,012 and 455,209 units issued and outstanding, respectively)	-	—
Additional paid-in capital	4,049	761
Accumulated deficit	(28,982)	(75,576)
Accumulated other comprehensive loss	(2,245)	(3,632)
Total members' deficit	(27,178)	(78,447)
Total liabilities and members' deficit	$ 219,749	$ 167,581

See accompanying notes.

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Iridium Holdings LLC

Consolidated Statements of Income

(Unaudited)

	Nine Months Ended	
	September 30, 2008	September 30, 2007
	(In Thousands)	
Revenue:		
Services:		
Government	$ 48,826	$ 41,853
Commercial	97,542	73,207
Subscriber Equipment:	97,824	78,548
Total revenue	244,192	193,608
Operating expenses:		
Cost of subscriber equipment sales	55,261	48,347
Network and satellite operations and maintenance	47,451	44,223
Selling, general and administrative	42,966	32,829
Research and development	23,500	11,241
Depreciation and amortization	8,959	7,598
Total operating expenses	178,137	144,238
Operating profit	66,055	49,370
Other (expense) income:		
Interest expense	(14,325)	(16,520)
Interest and other income	605	1,745
Total other (expense) income, net	(13,720)	(14,775)
Net income	$ 52,335	$ 34,595

See accompanying notes.

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Iridium Holdings LLC

Consolidated Statements of Cash Flows

(Unaudited)

	Nine Months Ended	
	September 30, 2008	September 30, 2007
	(In Thousands)	
Operating activities		
Net income	$ 52,335	$ 34,595
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	8,959	7,598
Other non-cash amortization and accretion	2,094	1,922
Equity and profits interest compensation	2,103	1,067
Change in certain operating assets and liabilities:		
Accounts receivable, net	(9,817)	(8,272)
Prepaid expenses and other current assets	(912)	(4,492)
Inventory	(1,988)	(1,476)
Deferred cost of sales	3,224	9,736
Deferred revenue	697	(8,477)
Other noncurrent assets	376	(17)
Accounts payable	4,306	(94)
Accrued expenses and other liabilities	2,054	(344)
Accrued satellite operations and maintenance expense	(1,856)	(1,857)
Net cash provided by operating activities	61,575	29,889
Investing activities		
Purchases of property and equipment	(9,216)	(13,066)
Net cash used in investing activities	(9,216)	(13,066)
Financing activities		—
Repayments under credit facilities (Notes 7)	(4,314)	(22,526)
Distribution to Class A & B members	(5,568)	—
Net cash used in financing activities	(9,882)	(22,526)
Net increase (decrease) in cash and cash equivalents	42,477	(5,703)
Cash and cash equivalents, beginning of period	22,105	31,858
Cash and cash equivalents, end of period	$ 64,582	$ 26,155

See accompanying notes

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Iridium Holdings LLC

Notes to Consolidated Financial Statements

September 30, 2008

Supplementary cash flow information				
Interest paid	$	13,411	$	15,930
Supplementary disclosure of non-cash investing activities:				
Lease incentives in the form of leasehold improvements		1,171		357
Accrued expense for purchase of property plant & equipment	$	440	$	—

See accompanying notes.

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Iridium Holdings LLC

Notes to Consolidated Financial Statements

1. Business

Iridium Holdings LLC and its subsidiaries (collectively, the Company) is a global wireless telecommunications enterprise that offers its customers diverse voice, fax, data, and messaging services to and from virtually anywhere in the world using its satellite-based network infrastructure. The Company operates 75 satellites (including eight orbiting spares) in a low-earth-orbit constellation that enables customers to communicate using specialized phones, data devices, and pagers. The satellites communicate with those user devices using their main mission antennas, as well as with each other using crosslink antennas, and with ground-based gateways and control stations using feeder link antennas.

2. Significant Accounting Policies and Basis of Presentation

Principles of Consolidation and Basis of Presentation

In the opinion of management, the accompanying unaudited interim consolidated financial statements contain all adjustments necessary, all of which are of a normal recurring nature, to present fairly the Company's financial position, results of operations and cash flows as of and for the nine-month periods ended September 30, 2008 and 2007. The accompanying unaudited consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes for the fiscal year ended December 31, 2007.

Certain financial information that is normally included in annual financial statements prepared in accordance with U.S. generally accepted accounting principles, but is not required for interim reporting purposes, has been condensed or omitted.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the dates of the financial statements and the associated amounts of revenues and expenses during the periods reported. Actual results could differ from these estimates.

Financial Instruments

The consolidated balance sheets include various financial instruments (primarily cash and cash equivalents, accounts receivable, accounts payable, accrued expenses and other liabilities, long-term debt, derivative instruments, and other obligations). The fair values of short-term financial instruments approximate their carrying values because of their short-term nature. The fair value of debt is approximately 89% its carrying amount as of September 30, 2008, based on rates currently available to the Company for debt with similar terms and remaining maturities.

Interest Rate Swaps

The Company applies the provisions of Statement of Financial Accounting Standards (SFAS) No. 133, Accounting for Derivative Instruments and Hedging Activities as amended and interpreted to derivatives. SFAS 133 requires that all derivative instruments be recorded on the balance sheet at their respective fair values. As required by the Company's

credit facility (see Note 7), management executed pay-fixed receive-variable interest rate swaps in 2006, two of which are still open at September 30, 2008, and mature within two years. The interest rate swaps hedge $86.0 million of variable interest rate debt as of September 30, 2008 and are designated as cash flow hedges. The objective for holding these instruments is to manage variable interest rate risk related to the Company's credit facilities, by synthetically converting a portion of the variable rate risk to fixed rate interest rate risk. At the end of each quarter the swaps are valued using current interest rate curves to determine a fair market value and further discounted to reflect credit quality (see additional discussion of valuation below). The fair market value is recorded on the balance sheet and the effective offset is recorded in accumulated other comprehensive income (AOCI). Any ineffectiveness is recorded to interest expense.

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Iridium Holdings LLC

Notes to Consolidated Financial Statements

The effectiveness of the swaps in offsetting the gain or loss on the debt is assessed on a contract by contract basis quarterly, by regressing historical changes in the value of the swap against the historical change in value of the underlying debt. Changes in the underlying debt for testing and measurement purposes are captured using FAS133's "hypothetical" derivative approach. As of September 30, 2008 a $0.1 million loss representing ineffectiveness of the derivative was captured and recorded as interest expense. The derivative loss of $2.3 million is recorded to interest rate swap liability (included in other long-term liability in the consolidated balance sheet), and the $2.2 million offset (net of $0.1 million ineffectiveness) is recorded in AOCI. At September 30, 2008 $1.8 million is expected to be reclassified from AOCI to earnings as additional interest expense over the next twelve months due to lower variable rate interest payments on the debt. The net interest expense should equal the fixed rate on the swaps, thus meeting the original objective of the hedge program.

Fair value measurements

Under SFAS No. 157, Fair Value Measurements, the fair value is the price that would be received to sell an asset or paid to transfer a liability that assumes an orderly transaction in the most advantageous market at the measurement date. The principal market in which the Company executes interest rate swap contracts is the retail market. For recognizing the most appropriate value the highest and best use of the Company's derivatives are measured using an in-exchange valuation premise that considers the assumptions that market participants would use in pricing the derivatives.

The company has elected to use the income approach to value the derivatives, using observable Level II market expectations at measurement date and standard valuation techniques to convert future amounts to a single present amount (discounted) assuming that participants are motivated, but not compelled to transact. Level II inputs for the swap valuations are limited to quoted prices for similar assets or liabilities in active markets (specifically futures contracts on LIBOR for the first two years) and inputs other than quoted prices that are observable for the asset or liability (specifically LIBOR cash and swap rates, and credit default swap rates at commonly quoted intervals). Mid-market pricing is used as a practical expedient for fair value measurements. Key inputs, including the cash rates for very short term, futures rates for up to two years and LIBOR swap rates beyond the derivative maturity are bootstrapped to provide spot rates at resets specified by each swap as well as to discount those future cash flows to present value at measurement date. Inputs are collected from Bloomberg on the last market day of the period. The same rates used to bootstrap the yield curve are used to discount the future cash flows. A credit default swap basis available at commonly quoted intervals is collected from Bloomberg and applied to all cash flows when the swap is in an asset position pre-credit effect.

Property and Equipment

Property and equipment is carried at acquired cost less accumulated depreciation and amortization. Depreciation and amortization is calculated using the straight-line method over the following estimated useful lives:

Space system in service	14 years
Terrestrial system assets	7 years
Internally developed software	7 years
Business support systems	5 years
Other software and equipment	3 – 5 years

Gateway and satellite equipment	7 – 10 years
Building	39 years
Leasehold improvements	Shorter of estimated useful life or remaining lease term

Repair and maintenance costs are expensed as incurred.

Income Taxes

As a limited liability company (LLC) that is treated as a partnership for federal income tax purposes, the Company is generally not subject to federal income tax directly. Rather, generally each member is subject to income

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Iridium Holdings LLC

Notes to Consolidated Financial Statements

taxation based on the member's portion of the Company's income or loss as defined in the Company's limited liability company agreement (LLC Agreement). The Company is subject to federal excise, withholding, and payroll taxes; to state and local taxes in the United States; and to income, value-added, and other taxes in non-U.S. jurisdictions in which the Company operates.

The Company regularly assesses the potential outcome of current and future examinations in each of the taxing jurisdictions when determining the adequacy of accruals for tax, penalties, and interest.

The Company has established accruals that it believes are adequate in relation to the potential for additional assessments. The Company does not believe any such tax, penalties, or interest would have a material impact on the Company's financial position.

Deferred Revenue

Revenue is generated from the Company's service providers via usage of the Iridium satellite network and through fixed monthly access fees per user charged by the Company to each service provider. Revenue for usage or traffic-driven charges is recognized when usage occurs and revenue for the fixed-per-user access fee is recognized ratably over the period in which the service is provided to the end user. Revenue from prepaid services is recognized when usage occurs or when the customer's right to access the unused prepaid services expires. The Company does not offer refund privileges for prepaid services. As of September 30, 2008 and December 31, 2007 unused prepaid services and access fees of $24.2 million and $19.9 million, respectively, were recorded in deferred revenue in the consolidated balance sheets. Revenue for the periods ended September 30, 2008 and December 31, 2007 included the recognition of prior years' deferred revenue. Deferred service and access fees are typically earned and recognized as income within one year of customer prepayment.

Subscriber Equipment Revenue

The Company follows the provisions of Emerging Issues Task Force Issue (EITF) No. 00-21, Revenue Arrangements with Multiple Deliverables. EITF No. 00-21 requires that revenue arrangements with multiple deliverables be divided into separate units of accounting, only if the deliverables meet certain criteria, and that all elements of an arrangement should be considered a single unit of accounting if the criteria are not met.

Through December 31, 2004, the Company considered the sale of its equipment and service a single unit of accounting due primarily to the fact that its equipment was not considered to have stand-alone value to the end user. As a result, when equipment was sold, revenue from these transactions was deferred and recognized ratably over the four-year estimated average life of the end-user relationship. In late 2004, significant evidence of a secondary market emerged providing proof of stand-alone value for Iridium subscriber equipment. As a result, the Company believes the equipment from that point forward has independent value and that equipment should be treated as a separate unit of accounting in accordance with EITF No. 00-21. The Company allocates consideration to the separate units of accounting using the relative fair value method. Accordingly, effective January 1, 2005, the Company began recognizing equipment sales and the related cost when equipment title passes to the customer. This change in accounting estimate was applied prospectively.

All previously deferred equipment revenues and related costs continue to be recognized over the remaining estimated average customer relationship period of four years. As of September 30, 2008, $0.2 million of deferred revenue and $0.2 million of deferred costs remain unrecognized. These amounts will be recognized during the remainder of 2008.

Concentrations of Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents and receivables. The majority of this cash is swept nightly into a money market fund with a diversified portfolio. Currently, the money market fund is participating in the U.S. Treasury Temporary Guarantee Program, which is in effect through December 18, 2008 and provides for a guarantee to receive $1.00 per share in

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Iridium Holdings LLC

Notes to Consolidated Financial Statements

the event that a participating fund no longer has a $1.00 per share net asset value and liquidates. The Company performs credit evaluations of its customers' financial condition and records reserves to provide for estimated credit losses. Accounts receivable are due from both domestic and global customers.

Significant Customers, Supplier, and Service Providers

The Company derived approximately 20.0% and 21.6% of its total revenue during the nine months ended September 30, 2008 and 2007, respectively, from one customer, the U.S. government. The U.S. government also accounted for approximately 23.3% and 41.3% of the Company's accounts receivable balances at September 30, 2008 and December 31, 2007, respectively. During the periods ended September 30, 2008 and 2007, the Company derived $97.5 million and $73.2 million, respectively, from its commercial service operations; 13.1% and 13.7% of total revenue for the nine months ended September 30, 2008 and 2007, respectively, was derived from the Company's two largest commercial customers.

The Company acquires all of its subscriber equipment from one manufacturer. Should events or circumstances prevent the manufacturer from producing the equipment, the Company's business could be adversely affected until the Company is able to move production to other facilities of the manufacturer or secure a replacement manufacturer.

All satellite operations and maintenance services are provided by the Boeing Company. Should events or circumstances prevent Boeing from providing these services, the Company's business could be adversely affected until the Company is able to assume operations and maintenance responsibilities or secure a replacement service provider.

Segments

SFAS No. 131, Disclosures about Segments of an Enterprise and Related Information, establishes standards for reporting information regarding operating segments in annual financial statements. SFAS No. 131 also establishes standards for related disclosures about products and services and geographic areas. Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision maker, or decision-making group, in making decisions regarding the allocation of resources and asset performance. Pursuant to SFAS No. 131, the Company operates in one segment providing global satellite communication products and services. The information disclosed herein materially represents all of the financial information related to the Company's principal operating segment.

Comprehensive Income

Comprehensive income for the nine months ended September 30:

	2008	2007
	(In Thousands)	
Net income	$ 52,335	$ 34,595
Change in fair value of interest rate swaps	1,387	13
Comprehensive income	$ 53,722	$ 34,608

Recent Accounting Pronouncements

In June 2006, the Financial Accounting Standards Board (FASB) issued FASB Interpretation (FIN) No. 48, Accounting for Uncertainty in Income Taxes—an Interpretation of FASB Statement No. 109. FIN No. 48 requires that management determine whether a tax position is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. Once it is determined that a position meets this recognition threshold, the position is measured to determine the amount of

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Iridium Holdings LLC

Notes to Consolidated Financial Statements

benefit to be recognized in the financial statements. The FASB deferred the effective date of FIN 48 for certain non-public enterprises to annual periods beginning after December 15, 2008. The Company will adopt the provisions of FIN No. 48 effective January 1, 2009. The Company is currently evaluating the effect, if any, the adoption of FIN No. 48 will have on its financial statements.

In September 2006, the FASB issued SFAS No. 157, Fair Value Measurements (SFAS No. 157). SFAS No. 157 defines fair value, establishes a framework for measuring fair value in accordance with generally accepted accounting principles, and expands disclosures about fair value measurements. In February 2008, the FASB issued FSP No. 157-1, Application of FASB Statement No. 157 to FASB Statement No. 13 and Other Accounting Pronouncements That Address Fair Value Measurements for Purposes of Lease Classification or Measurement under Statement 13 and FSP No. 157-2, Effective Date of FASB Statement No. 157 as amendments to SFAS No. 157, which exclude lease transactions from the scope of SFAS No. 157 and also defer the effective date of the adoption of SFAS No. 157 for non-financial assets and non-financial liabilities that are nonrecurring until fiscal years beginning after November 15, 2008. In October 2008, the FASB issued FSP No. 157-3, Determining the Fair Value of Financial Assets When the Market for That Asset is Not Active, as an amendment to SFAS No. 157, clarifying the application of SFAS No. 157 in a market that is not active. SFAS No. 157 is effective for fiscal year 2008. In accordance with FSP No 157-2, the Company has deferred application of SFAS No. 157 for non-financial assets and non-financial liabilities. The adoption of SFAS No. 157 did not have a material impact on the Company’s consolidated financial statements.

In September 2006, the EITF reached a consensus on EITF Issue No. 06-1, Accounting for Consideration Given by a Service Provider to Manufacturers or Resellers of Equipment Necessary for an End-Customer to Receive Service from the Service Provider (EITF 06-1). EITF 06-1 provides that consideration provided to the manufacturers or resellers of specialized equipment should be accounted for as a reduction of revenue if the consideration provided is in the form of cash and the service provider directs that such cash be provided directly to the customer. Otherwise, the consideration should be recorded as an expense. EITF 06-1 is effective for fiscal year 2008. The adoption of EITF 06-1 did not have a material impact on the Company’s consolidated financial statements.

In February 2007, the FASB issued SFAS No. 159, The Fair Value Option for Financial Assets and Financial Liabilities, including an amendment of FASB Statement No. 115 (SFAS No. 159). SFAS No. 159 permits entities to choose to measure many financial instruments and certain other items at fair value that are not currently required to be measured at fair value. Unrealized gains and losses on items for which the fair value option has been elected are reported in earnings. SFAS No. 159 does not affect any existing accounting literature that requires certain assets and liabilities to be carried at fair value. SFAS No. 159 is effective for fiscal year 2008. The Company did not adopt the alternative provided in this statement.

In December 2007, the FASB issued SFAS No. 141R, Business Combinations (SFAS No. 141R). SFAS No. 141R requires the acquiring entity in a business combination to record all assets acquired and liabilities assumed at their respective acquisition-date fair values, changes the recognition of assets acquired and liabilities assumed arising from contingencies, changes the recognition and measurement of contingent consideration, and requires the expensing of acquisition-related costs as incurred. SFAS No. 141R also requires additional disclosure of information surrounding a business combination, such that users of the entity’s financial statements can fully understand the nature and financial impact of the business combination. SFAS No. 141R applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. An entity may not apply it before that date. The provisions of SFAS No. 141R will only impact the Company if

it is a party to a business combination after the pronouncement has been adopted.

In March 2008, the FASB issued SFAS No. 161, Disclosures about Derivative Instruments and Hedging Activities — an amendment of FASB Statement No. 133 (SFAS No. 161). SFAS No. 161 requires enhanced disclosures about the objectives of derivative instruments and hedging activities, the method of accounting for such instruments under SFAS No. 133 and its related interpretations, and a tabular disclosure of the effects of such instruments and related hedged items on an entity's financial position, financial performance and cash flows. SFAS

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No.161 is effective for fiscal years beginning after November 15, 2008, as such, will be effective beginning January 1, 2009 for the Company. The Company is evaluating the disclosure requirements of SFAS No. 161; however, the adoption of SFAS No. 161 is not expected to have a material impact on the Company's consolidated financial statements.

In May 2008, the FASB issued SFAS No. 162, The Hierarchy of Generally Accepted Accounting Principles (SFAS No. 162). SFAS No. 162 identifies the sources of accounting principles and the framework for selecting the principles to be used in the preparation of financial statements of nongovernmental entities that are presented in conformity with generally accepted accounting principles in the United States. SFAS No. 162 will become effective 60 days following the SEC's approval of the Public Company Accounting Oversight Board (PCAOB) amendments to AU Section 411, "The Meaning of Present Fairly in Conformity With Generally Accepted Accounting Principles." The Company's adoption of SFAS No. 162 will not have a material impact on its financial Statements.

3. Material Definitive Agreements

On September 22, 2008, a transaction agreement was executed among, Iridium Holdings LLC, GHL Acquisition Corp. ("GHQ") and owners of equity interests in Iridium Holdings LLC (the "Sellers"), pursuant to which GHQ will acquire the Sellers' equity interests of Iridium Holdings LLC, and the equity interest in two third party entities (the "Acquisition"). GHQ is a blank check company formed on November 2, 2007 for the purpose of acquiring one or more businesses or assets. The Acquisition must be approved by a majority of the GHQ public stockholders. In addition, the Acquisition will only be approved if GHQ public stockholders owning 11,999,999 shares or less vote against the proposal and seek to exercise their conversion rights. Upon completion of the Acquisition, the Sellers are expected to receive an aggregate of 36.0 million shares of GHQ common stock and $77.1 million of cash, subject to adjustment. In addition, 90 days following the close of the Acquisition, if Iridium Holdings has in effect a valid election under Section 754 of the Internal Revenue Code of 1986, as amended, GHQ will make a tax benefits payment of up to $30.0 million in aggregate to certain sellers to compensate them for tax basis step-up, if applicable.

Concurrently with the signing of the transaction agreement, Iridium Holdings LLC and Greenhill & Co. Europe Holdings Limited ("Greenhill Europe"), an affiliated company to GHQ, entered into an agreement for Greenhill Europe to purchase a $22.9 million convertible subordinated promissory note of Iridium Holdings LLC (the "Note"). Greenhill Europe acquired the Note on October 24, 2008, following the consent of certain Iridium Holdings LLC lenders (see Amendment to Credit Lien Facilities, in Note 13). Greenhill Europe has the option to convert the Note into Iridium Holdings units at a price of $272.87 per unit upon the later of (i) October 24, 2009 ("first anniversary") and (ii) the closing or the termination of the Acquisition. If the closing occurs after the first anniversary, upon the exercise of its conversion rights, Greenhill Europe will be entitled to receive 2.290 million shares of GHQ common stock. If the closing occurs prior to September 22, 2009, GHQ and Greenhill Europe will enter into an agreement which will entitle Greenhill Europe to exchange, upon the first anniversary of the issuance of the Note, all Iridium Holding units received in conversion of the Note for 2.290 million shares of GHQ common stock, subject to adjustments.

4. Transition Services, Products and Asset Agreement

General

On December 11, 2000, the Company entered into the Transition Services, Products and Asset Agreement (TSA) with Motorola. Certain obligations under the TSA have been fully performed, including Motorola's provision of services and transfers of assets, but other obligations are on-going, as described below.

The TSA requires that the Company use Boeing to provide continuing steady-state operations and maintenance services with respect to the Satellite Network Operations Center, Telemetry, Tracking and Control stations and the on-orbit satellites (collectively, the Iridium System) (see Note 5). These services include the removal of satellites in the constellation from operational or storage orbits and preparation for re-entry into the earth's atmosphere. In

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addition, the Company must (i) obtain and pay the premium for an in-orbit insurance policy on behalf of Boeing and certain other beneficiaries, (ii) pay the premiums for an aviation products liability insurance policy obtained by Motorola, and (iii) maintain on deposit with Motorola an amount that at all times equals 150% of the current year's annual premium. The deposit of $0.8 million is classified within deferred financing costs and other assets in the accompanying consolidated balance sheets.

Motorola Payables

Pursuant to the TSA, Class B Units were issued to Motorola in consideration of Motorola's transfer of certain licenses and equipment. These units have certain limited anti-dilution provisions, as defined in the TSA.

The TSA also provides for the payment to Motorola of $7.25 million plus certain accrued interest upon the occurrence of a "triggering event." A triggering event is defined as any change of control as specified therein, an initial public offering by the Company, a sale of all or a material portion of the assets of the Company, or upon reaching the date of December 11, 2010. This amount consists of two components: (i) a $6.0 million commitment fee and (ii) $1.25 million of deferred equipment financing (plus accrued interest from the effective date of the TSA to the date of payment at an annual interest rate of prime plus 3%).

The Company discounted the $6.0 million commitment fee at an imputed rate of 12.5% over 10 years, resulting in an original issue discount of $4.2 million. The net liability is included in the Motorola payable in the accompanying consolidated balance sheets as of September 30, 2008 and December 31, 2007, respectively.

5. Boeing Operations and Maintenance Agreement

On December 11, 2000, the Company entered into an operations and maintenance agreement (the original O&M Agreement) with Boeing, pursuant to which Boeing agreed to provide transition services and continuing steady-state operations and maintenance services with respect to the Iridium System (including engineering, systems analysis, and operations and maintenance services). Since that time, there have been a number of amendments, including an amended and restated operations and maintenance agreement (the "Amended and Restated Agreement"). As a result of these various amendments, the period of performance has been extended to be concurrent with the useful life of the constellation, the schedule of monthly payments has been revised and a cost escalation according to a prescribed formula is now included.

The Amended and Restated Agreement incorporates a revised de-orbit plan, which, if exercised, would cost $12.9 million plus an amount equivalent to the premium for inception of Section B de-orbit insurance coverage to be paid to Boeing in the event of a mass de-orbit of the satellite constellation.

Under the Amended and Restated Agreement, the Company incurred expenses of $36.6 million and $35.2 million relating to network and satellite operations and maintenance costs for the nine months ended September 30, 2008 and 2007, respectively.

The Amended and Restated Agreement provided for Boeing to receive an additional fee of 5% of any amounts distributed to Class A or Class B members of the Company to the extent that such distributions did not constitute a return of members' capital contributions or distributions in respect of the members' tax liabilities. Boeing was entitled

to receive, upon any sale or exchange of substantially all of the interests of the Class A and B members to an unrelated third party, 5% of the aggregate amount received by the Class A and B members. In 2007, the Company and Boeing agreed to terminate Boeing's right to this additional fee in exchange for a payment of $7.8 million, which was recorded to prepaid expense. During the nine months ended September 30, 2008 and 2007 related amortization expense included in network and satellite operations and maintenance was $0.9 and $0.6 million respectively. The remaining balance of $6.1 million is included in prepaid expenses ($1.2 million in current assets and $4.9 million in long term) in the accompanying consolidated balance sheet as of September 30, 2008 and will be amortized ratably to network and satellite operations and maintenance expense through December 2013.

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Iridium Holdings LLC

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6. Property and Equipment

Property and equipment consists of the following:

	September 30, 2008	December 31, 2007
	(In Thousands)	
Space system in service	$ 47,052	$ 47,332
Terrestrial system assets	9,770	9,453
Business support systems	9,797	9,308
Capitalized software	11,996	10,601
Building, equipment, and leasehold improvements	27,885	25,928
	106,500	102,622
Less: accumulated depreciation	(66,104)	(57,426)
	40,396	45,196
Construction in process	21,431	14,763
Property and equipment, net	$ 61,827	$ 59,959

At December 31, 2007 construction in process consisted of assets being developed or constructed for building, equipment, and leasehold improvements of $1.2 million, capitalized software of $13.3 million, business support systems of $0.1 million, and terrestrial system assets of $0.2 million. At September 30, 2008 construction in process consisted of assets being developed or constructed for building, equipment, and leasehold improvements of $3.9 million, capitalized software of $17.4 million, and terrestrial system assets of $0.1 million.

The Company capitalizes interest costs associated with the construction of capital assets for business operations and amortizes the cost over the assets' useful lives beginning when the asset is placed in service. The Company capitalized $1.1 million and $0.6 million of interest for the periods ending September 30, 2008 and 2007, respectively.

7. First and Second Lien Credit Agreements

On July 27, 2006, the Company entered into a $170.0 million first lien credit facility and $40.0 million second lien credit facility. The facilities include a $98.0 million four-year first lien Tranche A term loan facility, a $62.0 million five-year first lien Tranche B term loan facility, and a $40.0 million six-year second lien term loan facility. In addition, the facilities include a $10.0 million three-year revolving credit facility. The proceeds of the credit facilities were used to repay the Company's existing credit facilities, provide cash collateral for letters of credit, return capital to the Company's equity investors and for general corporate purposes including development of new and advanced devices and services.

Mandatory principal prepayments are required based on net cash proceeds related to debt or equity issuances and certain dispositions, as is a mandatory prepayment of 75% of excess cash flow, determined by a defined formula. The Company must also maintain hedge agreements in order to provide interest rate protection on a minimum of 50% of the aggregate principal amounts outstanding during the first three years of the credit facilities. As a result, the Company entered into four interest rate swap agreements upon the closing of the credit facilities that ranged in

duration from one to four years and collectively in July 2006 provided interest rate protection on $170.0 million (see Note 2).

The First and Second Lien Credit Agreements require the Company to abide by various covenants primarily related to limitations on liens, indebtedness, sales of assets, investments, dispositions, distributions to members, transactions with affiliates and certain financial covenants with respect to its consolidated leverage ratio on a quarterly basis. The Company was compliant with all covenants required by the First and Second Lien Credit

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Iridium Holdings LLC

Notes to Consolidated Financial Statements

Agreements during the nine months ended September 30, 2008. Substantially all of the Company's assets are pledged as collateral for the facilities.

$10.0 million First Lien Revolving Credit Facility

The proceeds of the revolving credit facility may be used for general corporate purposes of the Company. The revolving credit facility matures on July 27, 2009. The Company paid an up-front fee of 2% on the revolving facility ($0.2 million) and pays an annual unused facility fee of 0.5% on the available balance of the commitment on a quarterly basis. As of September 30, 2008, the Company had not drawn any amounts under the revolving credit facility. Not withstanding the Company's rights to access the credit facility, the Company may be subject to counterparty risk associated with future access to the credit facility, as the counterparty to the credit facility (Lehman Brothers) filed for bankruptcy in calendar 2008.

$98.0 million First Lien Tranche A Term Loan

The Tranche A term loan matures on June 30, 2010, and requires quarterly principal payment amounts ranging from $2.25 million to $9.75 million. Quarterly interest payments are also made. The Company elected the Eurodollar base interest rate, which, including the applicable margin of 4.25%, was 7.05% and 9.24% at September 30, 2008 and December 31, 2007, respectively. The Company can prepay the First Lien Tranche A term loan in its entirety for par. At September 30, 2008, the outstanding principal balance was $60.5 million.

$62.0 million First Lien Tranche B Term Loan

The Tranche B term loan matures on July 27, 2011, and requires quarterly principal payment amounts starting on September 30, 2010 in the amount of $14.9 million. Quarterly interest payments are also made. The Company elected the Eurodollar base interest rate, which including the applicable margin of 4.25%, was 7.05% and 9.24% at September 30, 2008 and December 31, 2007, respectively. The Company can prepay the First Lien Tranche B term loan in its entirety at par. At September 30, 2008 the outstanding balance was $59.7 million.

$40.0 million Second Lien Term Loan

The Second Lien term loan matures on July 27, 2012, at which time the entire $40.0 million principal amount is due. The Company elected the Eurodollar base interest rate, which including the applicable margin of 8.25%, was 11.05% and 13.24% at September 30, 2008 and December 31, 2007 respectively. The Company is required to make quarterly interest payments.

The Second Lien term loan can be prepaid in its entirety at 101% through July 27, 2009 and at par thereafter. At September 30, 2008, the outstanding balance was $40.0 million.

8. Motorola Note Agreement

On December 11, 2000, the Company entered into a Senior Subordinated Term Loan Agreement (the Note Agreement), pursuant to which the Company borrowed $30 million from Motorola, as evidenced by a senior subordinated term note (the Motorola Note) dated December 11, 2000. The principal amount of, and all interest

accrued on, the Motorola Note, was paid in full on May 27, 2005. However, as detailed below, certain payment obligations survive this repayment.

Under the Note Agreement, the Company is required to pay Motorola a commitment fee of $5.0 million upon the earlier of December 11, 2010, or the occurrence of a trigger event. A trigger event is defined as any change of control specified therein, an initial public offering by the Company, or a sale of all or a material portion of the assets of the Company. The Company is accruing the commitment fee through December 2010 using the effective-interest method.

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Notes to Consolidated Financial Statements

As of September 30, 2008 and December 31, 2007 the Company's liability approximated $3.8 million and $3.5 million, respectively, and is included in the Motorola payable (see Note 4) in the accompanying consolidated balance sheets.

Additionally, in the event of a "distribution event", defined in the Note Agreement as a dividend or other distribution (in the form of cash or otherwise), acquisition for value, or an initial public or secondary offering, in each case relating to equity interests in Parent, Satellite is required to pay Motorola a loan success fee equal to the amount that a holder of Class B units in the Parent representing 5% of the total number of issued and outstanding units (both Class A and B) would have received in the distribution event.

Finally, in addition to the above obligations, upon the first to occur of a change of control as specified in the Note Agreement or the sale of all or a material portion of the assets of Parent or Satellite, Satellite is required to pay an amount equal to the lesser of (i) the value of the consideration that a holder of Class B units in the Parent representing 5% of the total number of issued and outstanding units (both Class A and B) would have received in the transaction and (ii) an amount to be determined based on a multiple of earnings before interest, taxes, depreciation, and amortization less the amount of the $5.0 million commitment fee discussed above which has been or is being paid concurrently.

9. Commitments and Contingencies

From time to time, the Company is involved in various litigation matters involving ordinary and routine claims incidental to its business. Management currently believes that the outcome of these proceedings, either individually or in the aggregate, will not have a material adverse effect on the Company's business, results of operations or financial condition. The Company is involved in certain litigation matters as discussed below.

The Company, a director, and a former officer were named as defendants in a lawsuit commenced in 2007 by a former member of the Company's Board of Directors (Plaintiff). The lawsuit alleges, among other things, defamation and tortuous interference with the Plaintiff's economic/business relationship with his principal, an investor in the Company. These actions seek compensatory and other damages, and costs and expenses associated with the litigation. Management believes that the lawsuit is without merit, although no assurance can be given in this regard, or as to what relief, if any, might be granted if the Plaintiff were to be successful in this lawsuit.

Operating Leases

Future minimum lease payments, by year and in the aggregate, under noncancelable operating leases with remaining terms of one year or more at September 30, 2008, are as follows (in thousands):

	Operating Leases
Remainder of 2008	$ 460
2009	1,763
2010	1,930
2011	1,973
2012	2,011

Thereafter	3,704
	$ 11,841

Rental Expense for the nine months ended September 30, 2008 and September 30, 2007 was $1.1 million and $1.0 million, respectively. In September 2008 the Company commenced the lease of a new corporate facility in Tempe, Arizona. The facility will be used primarily for administrative purposes and is approximately 25,500 square feet. The lease term will expire in March 2016.

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Iridium NEXT

The Company has selected two contractors to participate in the final phase of its procurement process for the company's next-generation satellite constellation, Iridium NEXT. This final phase is expected to end with the Company awarding a full-scale development agreement for Iridium NEXT to one prime contractor by mid-2009. The contractor not selected as the prime contractor will be paid a bonus payment if they have successfully completed all milestones and deliverables required in this phase. The potential bonus payments range from $0 to $10 million. As of September 30, 2008 the Company has accrued $0.9 million in connection with this potential bonus payment.

10. Members' Equity in Parent

Classes of Membership Units

Pursuant to the Amended and Restated Limited Liability Company Agreement, as amended (LLC Agreement), the members' interests in the Parent are divided into Class A and Class B units. There are 1,083,872 Class A Units outstanding and 518,012 Class B units outstanding at September 30, 2008. During the nine months ended September 30, 2008 the Company issued 62,803 Class B units. The Class B units were issued in exchange for certain profits interest awards that were held by key executives and members of the board of directors. The exchange resulted in canceling the majority of outstanding profits interest awards and the issuance of Class B units in return. The economic interest of the canceled profits interest awards are consistent with the replacement Class B units. The exchange resulted in the reclassification of approximately $1.9 million of the profits interest liability to additional paid-in capital. The weighted average outstanding service period for these awards was 2 years at September 30, 2008.

The Company made a distribution of $3.0 million in March 2008 and $2.8 million in April 2008 to Class A and B members

11. Geographic Information

Revenue by geographic area for the nine months ended September 30:

	2008	2007
	(In Thousands)	
United States	$ 134,511	$ 91,547
Canada	28,775	32,747
France	18,645	23,016
Other Countries (1)	62,261	46,298
	$ 244,192	$ 193,608

(1) No other country represents more than 10% of our revenue for any of the periods indicated.

Revenues are attributed to geographic area based on the billing location of the customer. The Company does not bare foreign exchange risk on sales, as invoices are denominated in United States dollar.

Net property and equipment by geographic area:

	September 30, 2008	December 31, 2007
	(In Thousands)	
United States	$ 42,810	$ 38,486
Unallocated	17,522	20,087
All others	1,495	1,386
	$ 61,827	$ 59,959

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Unallocated net property and equipment consists of satellites in orbit and equipment in international waters.

12. Indemnification Agreement

Satellite, Boeing, Motorola, and the U.S. government entered into an agreement effective December 5, 2000 that provided, among other things, the following: (i) Satellite agrees to maintain satellite liability insurance (see Notes 4 and 5), (ii) Boeing agrees to maintain aviation and space liability insurance, (iii) Motorola agrees to maintain an Aviation Products—Completed Operations Liability Insurance policy, and (iv) the U.S. government may, in its sole discretion, require Satellite, Boeing or either of them to immediately de-orbit the Iridium satellites at no expense to the U.S. government in the event of (a) Satellite's failure to pay insurance premiums or maintain insurance, (b) its bankruptcy, (c) its sale or the sale of any major asset in the satellite system, (d) replacing Boeing as the operator of the satellite system, (e) its failure to make certain notifications required by the agreement or (f) at any time after June 5, 2009, unless extended by the U.S. government. Management does not believe the U.S. government will exercise this right. As a result, management believes the likelihood of any future cash outflows associated with the mass de-orbit obligation to be remote.

13. Subsequent Events

Amendment to Credit Lien Facilities

On October 17, 2008, the Company entered into Amendment No. 1 to the first lien credit facility (First Lien Amendment) and Amendment No. 1 to the second lien credit facility (Second Lien Amendment). The First Lien Amendment and Second Lien Amendment included the consent of the respective lenders to the issuance of the Note (see Note 3).

Pursuant to the First Lien Amendment, the Company and its requisite lenders agreed to, among other things: (i) increase the applicable margin for Eurodollar loans by 75 basis points to 5%; (ii) increase permitted capital expenditures for 2008 and 2009; (iii) permit distributions of up to $37.9 million to the members of the Company in 2008; (iv) require the Company to prepay $80.0 million of the outstanding balance if the Acquisition is consummated and $15.0 million if the Acquisition is not consummated by June 29, 2009; and (v) to amend the definition of "Change of Control" to apply to the post-Acquisition public company. Upon the execution of the First Lien Amendment, the Company prepaid $22.0 million of its outstanding balance under the first lien credit facility.

Pursuant to the Second Lien Amendment, the Company and its requisite lenders agreed to, among other things: (i) increase the applicable margin for Eurodollar loans by 75 basis points to 9%; (ii) increase permitted capital expenditures for 2008 and 2009; (iii) permit distributions of up to $37.9 million to the members of the Company in 2008; and (iv) amend the definition of "Change of Control" to apply to the post-Acquisition public company.

Distributions

The Company made a distribution of $34.9 million in November 2008 to Class A and Class B members. As a result of this distribution, the Company paid Motorola a $1.9 million loan success fee as required under the Motorola Note Agreement.

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Annex A

Execution Version

TRANSACTION AGREEMENT

dated as of

September 22, 2008

among

IRIDIUM HOLDINGS LLC,

GHL ACQUISITION CORP.

and

SELLERS
listed on the signature pages hereof

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Exhibit E – Form of
Pledge Agreement

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TRANSACTION AGREEMENT

TRANSACTION AGREEMENT (this "Agreement") dated as of September 22, 2008 among Iridium Holdings LLC, a Delaware limited liability company (the "Company"), GHL Acquisition Corp., a Delaware corporation ("Parent"), and each of the sellers whose name appears on the signature page hereto (each of the foregoing, a "Seller", and collectively, the "Sellers").

W I T N E S S E T H:

WHEREAS, Sellers own, directly or indirectly, all of the issued and outstanding Units (as defined in the Company LLC Agreement) of the Company; and

WHEREAS, Parent desires to purchase, directly or indirectly, the Units.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.01. Definitions. (a) The following terms, as used herein, have the following meanings:

"Accounting Referee" means a nationally recognized accounting firm, mutually acceptable to the Parent Committee and to Sellers' Committee, chosen to decide any disagreement of the parties to this Agreement with respect to any Tax or accounting matters. The fees and expenses of the Accounting Referee shall be allocated by the Accounting Referee between the parties to any disagreement based on the principle that such amounts shall be borne by the party whose determination differs from the Accounting Referee's ultimate determination by the greater amount.

"Additional Share" means, for each Seller, the percentage set forth next to its name on Exhibit A.

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with such Person.

"Aggregate Cash Consideration" means $77.1 million, plus the Special Tax Distribution Shortfall, if any.

"Aggregate Consideration" means the Aggregate Cash Consideration and the Aggregate Stock Consideration.

"Aggregate Stock Consideration" means (i) with respect to the Sellers (other than the Greenhill Noteholder), 36,000,000 shares of Parent Stock and (ii) with respect to the Greenhill Noteholder, assuming the Convertible Note has been issued prior to the Closing and is being

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converted in connection therewith, 2,290,000 shares of Parent Stock in accordance with Section 6.08.

“Average Stock Price” means, as of the date of any determination, the volume-weighted average per share trading price of the Parent Stock over the 10 consecutive trading days immediately preceding the date of such determination.

“Balance Sheet” means the audited consolidated balance sheet of the Company and its Subsidiaries as of December 31, 2007.

“Balance Sheet Date” means December 31, 2007.

“Baralonco Blocker Seller” means the Seller of the shares of Baralonco Blocker.

“Blocker Entities” means Syncom-Iridium Holdings Corporation (“Syncom Blocker”) and Baralonco N.V. (“Baralonco Blocker”), and each of them, a “Blocker Entity”.

“Blocker Seller” means a Syncom Blocker Seller and/or the Baralonco Blocker Seller.

“Blocker Shares” means all shares of capital stock or other equity interests in any Blocker Entity.

“Business Day” means a day, other than Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by Law to close.

“Cash Available for Distribution” means, in the case of a Blocker Entity at any time, the excess of any cash or cash equivalents held by such Blocker Entity over all liabilities that would be properly reflected on a balance sheet of such Blocker Entity at such time prepared in accordance with GAAP.

“Cash Pro-Rata Share” means, with respect to each Seller, the percentage set forth next to such Seller’s name on Exhibit A, as the same may be amended upon the agreement of the Sellers who are affected by such amendment (without consent of Parent) prior to the occurrence of Special Tax Distribution that results in a Special Tax Distribution Shortfall.

“Closing Date” means the date on which the Closing actually occurs.

“Code” means the Internal Revenue Code of 1986.

“Communication Laws” means the Communications Act of 1934 and the orders, decisions, notices and policies promulgated by the FCC pursuant thereto, all as may be amended from time to time.

“Company Intellectual Property Rights” means the Owned Intellectual Property Rights and the Licensed Intellectual Property Rights.

“Company LLC Agreement” means the Amended and Restated Limited Liability Company Agreement of Iridium Holdings LLC as in effect on the date hereof.

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"Company Material Adverse Effect" means a material adverse effect on (i) the financial condition, business, assets or results of operations of the Company and its Subsidiaries, taken as a whole, or (ii) the ability of the Company to perform its obligations under or to consummate the transactions contemplated by this Agreement; except any such effect resulting from or arising in connection with: (A) the negotiation, execution, announcement or performance of this Agreement or the consummation of the transactions contemplated hereby, including the impact thereof on relationships, contractual or otherwise, with customers, suppliers, distributors, partners, financing sources, employees, revenue and profitability (other than any effect resulting from breach of representations and warranties set forth in Sections 3.04, 3.16(b), 3.18 and 4.03), (B) changes in the economy or the credit, debt, financial or capital markets, in each case, in the United States or elsewhere in the world, including changes in interest or exchange rates, (C) changes in Law, GAAP or accounting standards or the interpretation thereof, or changes in general legal, regulatory or political conditions, (D) acts of war, sabotage or terrorism, or any escalation or worsening of any such acts of war, sabotage or terrorism, (E) earthquakes, hurricanes, tornados or other natural disasters, (F) any failure, in and of itself, to meet any internal or public projections, forecasts or estimates of revenue, capital expenditures or earnings or the issuance of revised projections that are not as optimistic as those in existence as of the date hereof; provided that the underlying causes of any such failure or issuance may be taken into consideration in determining whether such material adverse effect has occurred, or (G) changes affecting the industries generally in which the Company or its Subsidiaries conduct business, except to the extent, in the case of clauses (B), (C), (D), (E) and (G), the Company and its Subsidiaries, taken as a whole, are disproportionately affected compared to other companies in the same industry.

"Company Technology" means any computer software (whether in object code or source code form), firmware, middleware, development tools, and all associated documentation owned by the Company or any of its Subsidiaries or licensed to the Company or any of its Subsidiaries.

"Convertible Note" means the Convertible Subordinated Promissory Note of the Company attached as Exhibit A to the Note Purchase Agreement.

"Damages" means any and all damage, loss, liability and expense (including reasonable expenses of investigation and reasonable attorneys' fees and expenses in connection with any action, suit or proceeding whether involving a third party claim or a claim solely between the parties hereto).

"Environmental Laws" means any Law or any legally binding agreement with any Governmental Authority or other third party, relating to the protection of the environment, or to the discharge, release, use, recycling, labeling, treatment, storage, disposal or handling of any toxic, radioactive, ignitable, corrosive, reactive or otherwise hazardous substances, chemicals, wastes or materials or, to the extent relating to exposure to any such substances, chemicals, wastes or materials, to human health and safety.

"Environmental Permits" means all permits, licenses, franchises, certificates, approvals, registrations and other similar authorizations of Governmental Authorities required by

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Environmental Laws for the current conduct of the business of the Company or any of its Subsidiaries.

“Equity Interests” means the Interests and the Blocker Shares, and each of them, an “Equity Interest”.

“ERISA” means the Employee Retirement Income Security Act of 1974.

“ERISA Affiliate” of any Person means any other Person that, together with such Person, would be treated as a single employer under Section 414(b), (c), (m) or (o) of the Code.

“FCC” means the Federal Communications Commission of the United States of America, including its bureaus, offices and divisions, or any Governmental Authority succeeding to the functions of such commission in whole or in part.

“FCC Consent” means any order of the FCC granting in all material respects any application filed with the FCC (including the FCC Consent Application) without the imposition of any conditions that would reasonably be expected to result in a Company Material Adverse Effect or a Parent Material Adverse Effect.

“FCC Consent Application” means any application, petition, motion, request or other filing with the FCC for its consent to the transactions contemplated hereby with respect to any FCC License or pending application therefor (including any petition, request or other application to the FCC to approve, if necessary, aggregate foreign ownership in the Company in excess of 25%).

“FCC Licenses” means the FCC licenses for the satellite space stations and earth stations, and any other licenses, permits or other authorizations (including those for special temporary authority under the Communications Laws) issued to the Company or any Subsidiary of the Company by, or pending before, the FCC in connection with the operation or planned operation of the Company’s and its Subsidiaries’ business, including any operational requirements contained in such licenses or other authorizations.

“Foreign Permits” means all licenses, permits, construction permits, approvals, concessions, franchises, certificates, consents, qualifications, registrations, privileges and other authorizations and other rights issued by any non-United States Governmental Authority to the Company or any Subsidiary of the Company currently in effect and used or useful in connection with the operation or planned operation of the Company’s and its Subsidiaries’ business, including any operational requirements contained in such licenses or other authorizations.

“GAAP” means United States generally accepted accounting principles applied on a consistent basis; provided, however, that with respect to any references to the financial statements of Baralonco Blocker for periods commencing on or after January 1, 1990, GAAP shall mean International Auditing Standards issued by the International Federation of Accountants.

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"Governmental Authority" means any court, administrative agency or commission or other federal, state, local or foreign governmental or regulatory authority, agency, body, instrumentality or official.

"Greenhill Noteholder" means Greenhill & Co. Europe Holdings Limited.

"Hazardous Substances" means any pollutant, contaminant or waste or any toxic, radioactive, ignitable, corrosive or reactive substance, waste, chemical or material, including petroleum, its derivatives, by-products and other hydrocarbons, asbestos or asbestos-containing materials and any substance, waste or material regulated as hazardous, toxic or any other term of similar import under any Environmental Law.

"HSR Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

"Initial Business Combination" has the meaning set forth in the Parent Certificate of Incorporation.

"Intellectual Property Rights" means all worldwide (i) inventions, whether or not patentable; (ii) patents and patent applications; (iii) trademarks, service marks, trade dress, logos, Internet domain names and trade names, whether or not registered, and all goodwill associated therewith; (iv) rights of publicity and other rights to use the names and likeness of individuals; (v) copyrights and related rights, whether or not registered; (vi) mask works; (vii) computer software, data, databases, files, and documentation and other materials related thereto; (viii) trade secrets and confidential, technical and business information; (ix) all rights therein provided by bilateral or international treaties or conventions; and (x) all rights to sue or recover and retain damages and costs and attorneys' fees for past, present and future infringement or misappropriation of any of the foregoing.

"Interests" means the Class A Units and the Class B Units (as defined in the Company LLC Agreement).

"IPO" means the initial public offering of Parent, effected on February 21, 2008.

"IPO Shares" means the shares of Parent Stock issued in the IPO.

"ITAR" means the International Traffic in Arms Regulation, 22 CFR Parts 120-130.

"knowledge" of any Person that is not an individual means the knowledge of such Person's senior officers after reasonable inquiry of the senior officer with primary responsibility for the matter in question.

"Law" means, with respect to any Person, any federal, state or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Authority that is binding upon or applicable to such Person, as amended, unless expressly specified otherwise.

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"Licensed Intellectual Property Rights" means any Intellectual Property Rights owned by a third party that either the Company or one of its Subsidiaries has a right to use, exploit or practice by virtue of a license grant, immunity from suit or otherwise.

"Lien" means, with respect to any property or asset, any mortgage, lien, pledge, charge, security interest, encumbrance or other adverse claim of any kind in respect of such property or asset. For the purposes of this Agreement, a Person shall be deemed to own subject to a Lien any property or asset which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such property or asset.

"Majority Interest" means, in the case of a group of Sellers, Sellers holding (directly or indirectly) Interests having a majority of the voting power of the Interests that may be voted on matters before the members of the Company under the Company LLC Agreement immediately prior to the closing of the transactions to be consummated on the Closing Date.

"Member" means any Person owning Interests.

"1933 Act" means the Securities Act of 1933.

"1934 Act" means the Securities Exchange Act of 1934.

"Note Purchase Agreement" means the Purchase Agreement dated as of the date hereof between the Company and the Greenhill Noteholder.

"Owned Intellectual Property Rights" means all Intellectual Property Rights owned by the Company or any Subsidiary of the Company.

"Parent Balance Sheet" means the audited consolidated balance sheet of Parent as of February 21, 2008.

"Parent Balance Sheet Date" means February 21, 2008.

"Parent Certificate of Incorporation" means the Amended and Restated Certificate of Incorporation of Parent.

"Parent Material Adverse Effect" means a material adverse effect on (i) the financial condition, business, assets or results of operations of Parent and its Subsidiaries, taken as a whole, or (ii) the ability of Parent to perform its obligations under or to consummate the transactions contemplated by this Agreement; except any such effect resulting from or arising in connection with: (A) the negotiation, execution, announcement or performance of this Agreement or the consummation of the transactions contemplated hereby, including the impact thereof on relationships, contractual or otherwise, with customers, suppliers, distributors, partners, financing sources, employees, revenue and profitability (other than any effect resulting from the breach of representations and warranties set forth in Section 5.04), (B) changes in the economy or the credit, debt, financial or capital markets, in each case, in the United States or elsewhere in the world, including changes in interest or exchange rates, (C) changes in Law, GAAP or accounting standards or the interpretation thereof, or changes in general legal,

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regulatory or political conditions, (D) acts of war, sabotage or terrorism, or any escalation or worsening of any such acts of war, sabotage or terrorism, (E) earthquakes, hurricanes, tornados or other natural disasters, (F) any failure, in and of itself, to meet any internal or public projections, forecasts or estimates of revenue, capital expenditures or earnings or the issuance of revised projections that are not as optimistic as those in existence as of the date hereof; provided that the underlying causes of any such failure or issuance may be taken into consideration in determining whether such material adverse effect has occurred, or (G) changes affecting the industries generally in which Parent and its Subsidiaries conduct their business, except to the extent, in the case of clauses (B), (C), (D), (E) and (G), Parent and its Subsidiaries, taken as a whole, are disproportionately affected compared to other companies in the same industry.

“Parent Ownership Tax Period” means any 2008-10 Pre-Closing Tax Period for which the corresponding Tax Return has not been filed prior to the Closing Date.

“Parent Plan” means the long-term equity incentive plan for Company’s officers, directors, employees and consultants to be agreed upon by the Company and Parent prior to the Closing Date, and as approved and adopted by the stockholders of Parent.

“Parent SEC Documents” means all of Parent’s reports, statements, schedules and registration statements filed with the SEC.

“Parent Stock” means the common stock, $0.001 par value, of Parent.

“Person” means an individual, corporation, partnership, limited liability company, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

“Pre-Closing Blocker Tax Return” means any Tax Return of any Blocker Entity with respect to any Pre-Closing Tax Period that has not been filed prior to the Closing Date.

“Pre-Closing Tax Period” means any Tax period ending on or before the Closing Date; and, with respect to a Tax period that begins on or before the Closing Date and ends thereafter, the portion of such Tax period ending on the Closing Date.

“Pre-Closing Tax Liability” means a liability for any Tax imposed upon a Blocker Entity for any Pre-Closing Tax Period. In the case of a Tax period that begins on or before the Closing Date and ends thereafter, the portion of such Tax related to the portion of such Tax period ending on and including the Closing Date shall (y) in the case of any Taxes based upon or related to gross income, net income, gross receipts, sales receipts, or use receipts (“Revenue Taxes”), be deemed equal to the amount which would be payable if the relevant Tax period ended on and included the Closing Date, and (z) in the case of any Tax other than a Revenue Tax, be deemed to be the amount of such Tax for the entire Tax period multiplied by a fraction the numerator of which is the number of days in the Tax period ending on and including the Closing Date and the denominator of which is the number of days in the entire Tax period. Pre-Closing Tax Liability shall not include any liability for any federal, state or local income Tax (other than any branch profits tax) imposed upon a Blocker Entity by reason of (i) the treatment of a distribution by the Company of such Blocker Entity’s share of the proceeds of the Convertible Note as a sale of a portion of such Blocker Entity’s Interests or (ii) any excess on or

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after the Closing Date of (A) such Blocker Entity's share (as determined under Section 752 and applicable regulations thereunder) of the liabilities of the Company over (B) such Blocker Entity's adjusted tax basis in its Interests.

"2008-10 Pre-Closing Tax Periods" means all Pre-Closing Tax Periods ending after December 31, 2007 that are not Parent Ownership Tax Periods.

"Public Stockholder" means each holder of IPO Shares.

"Purchased Shares" means the shares of Parent Stock to be acquired by the Sellers hereunder.

"Sarbanes-Oxley Act" means the Sarbanes-Oxley Act of 2002. "SEC" means the Securities and Exchange Commission.

"Sellers' Committee" means a committee consisting of a designee appointed by the Baralonco Blocker, whose designee shall initially be Steven B. Pfeiffer, and a designee appointed by the Syncom Blocker and Syndicated Communications Inc., whose designee shall initially be Terry L. Jones.

"Senior Loan Facilities" mean (i) the First Lien Credit Agreement between the Company, Iridium Satellite LLC and the other parties named therein dated as of July 27, 2007 and (ii) the Second Lien Credit Agreement between the Company, Iridium Satellite LLC and the other parties named therein dated as of July 27, 2006.

"Special Tax Distribution Shortfall" means that amount equal to the difference between $37,900,000 and the sum of (x) Special Tax Distributions, to the extent such distributions have been paid or declared on or prior to the Closing and (y) any payments and expenses incurred in connection with such Special Tax Distributions (including consent fees and other fees payable to the lenders under the Senior Loan Facilities in connection with any consents or waivers under such Senior Loan Facilities obtained on or after the date hereof).

"Stock Buyer" means any Seller acquiring any of the Purchased Shares.

"Stock Pro-Rata Share" Stock Pro-Rata Share" means (i) with respect to each Seller (other than the Greenhill Noteholder), the percentage set forth next to such Seller's name on Exhibit A and (ii) with respect to the Greenhill Noteholder, assuming the Convertible Note has been issued prior to the Closing and is being converted in connection therewith, the number of shares of Parent Stock set forth opposite the Greenhill Noteholder's name on Exhibit A.

"Subsidiary" means, with respect to any Person, any entity of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are at any time directly or indirectly owned by such Person. For purposes of this Agreement, each of Iridium Carrier Holdings LLC ("Carrier Holdings"), Iridium Carrier Services LLC ("Carrier Services"), Iridium Satellite, LLC ("Iridium Satellite") and Iridium Constellation, LLC ("Iridium Constellation") shall be considered a Subsidiary of the Company.

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"Syncom Blocker Seller" means the Seller of the shares of Syncom Blocker.

"Tax" means (i) any and all federal, state, provincial, local, foreign and other tax, levy, fee, impost, duty or other like assessment or charge of any kind whatsoever (including withholding on amounts paid to or by any Person), together with any interest, penalty, addition to tax or additional amount imposed by any Governmental Authority responsible for the imposition of any such tax (a "Tax Authority"), and any liability for any of the foregoing as transferee and (ii) in the case of Parent, the Company, any Subsidiary of the Company, or any Blocker Entity, any liability for the payment of any amount of the type described in clause (i) as a result of being or having been before the Closing Date a member of an affiliated, consolidated, combined or unitary group.

"Transaction Documents" means this Agreement, the Registration Rights Agreement, the Pledge Agreement and any and all other agreements and documents required to be delivered by any party hereto prior to or at the Closing pursuant to the terms of this Agreement.

"Trust Account" means the trust account established by Parent in connection with the consummation of the IPO and into which Parent deposited a designated portion of the net proceeds from the IPO.

"Trust Agreement" means the agreement pursuant to which Parent has established the Trust Account.

(b) Each of the following terms is defined in the Section set forth opposite such term:

Term	Section
Agreement	Preamble
Allocation	2.03
Baralonco Release Date	10.02
Blocker Entity Securities	4.07(b)(ii)
Blocker Settlement Date	10.02
Capex/R&D Budget	6.01
Closing	2.02
Company	Preamble
Company Disclosure Schedule	Article 3
Company Securities	3.05(b)
Confidentiality Agreement	6.02(a)
Contribution	6.05
Costs	8.09(c)
Employee Plans	3.23(a)
End Date	11.01(b)(i)
Exon-Florio Amendment	8.14(a)
Foreign Applications	8.14(c)
Indemnified Party	10.03
Indemnifying Party	10.03
Initial Business Combination	5.01

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International Plan	3.23(l)
Organizational Documents	5.01
Parent	Preamble
Parent Board Recommendation	5.02(c)
Parent Committee	8.11
Parent Contracts	5.18(a)
Parent Disclosure Schedule	Article 5
Parent Indemnified Parties	10.02
Parent Plan Grant	7.03
Parent Proxy Statement	5.09
Parent Stockholder Approval	5.02(b)
Parent Stockholder Meeting	5.02(b)
Parent Warrant	5.05(a)
Permits	3.18
Permitted Liens	3.15(a)(iii)
Pledge Agreement	9.02(c)
Pro Rata Share of Tax Benefit Payments	2.04(a)
Registration Rights Agreement	9.02(b)
Section 754 Election	2.04(b)
Seller	Preamble
Sellers	Preamble
Special Tax Distribution	6.01(b)
Subsidiary Securities	2.04(b)
Tax Payment Date	2.04(a)
Tax Returns	2.04(b)
Transfer Taxes	2.04(b)
Units	Preamble
WARN	2.04(b)

Section 1.02. Other Definitional and Interpretative Provisions. The words “hereof”, “herein” and “hereunder” and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Articles, Sections, Exhibits and Schedules are to Articles, Sections, Exhibits and Schedules of this Agreement unless otherwise specified. All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Exhibit or Schedule but not otherwise defined therein, shall have the meaning as defined in this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be

deemed to be followed by the words “without limitation”, whether or not they are in fact followed by those words or words of like import. “Writing”, “written” and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof. References to a statute shall be to such statute, as amended

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from time to time, and to the rules and regulations promulgated thereunder. References to any Person include the successors and permitted assigns of that Person. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively.

ARTICLE 2

PURCHASE AND SALE

Section 2.01. Purchase and Sale. Upon the terms and subject to the conditions of this Agreement, each Seller agrees to sell to Parent, and Parent agrees to purchase from such Seller, at the Closing, all Equity Interests held by such Seller as set forth opposite such Seller's name on Schedule 2.01. The aggregate purchase price for the Equity Interests is the Aggregate Consideration, which shall be paid as provided in Section 2.02.

Section 2.02. Closing. The closing (the "Closing") of the purchase and sale of the Equity Interests hereunder shall take place at the offices of Simpson Thacher & Bartlett LLP, 425 Lexington Avenue, New York, New York, as soon as possible, but in no event later than 5 Business Days, after satisfaction of the conditions set forth in Article 9, or at such other time or place as Parent and the Company may agree. At the Closing:

(a) Except as provided in Section 2.02(b), Parent shall deliver to each Seller (i) its Stock Pro-Rata Share of the Aggregate Stock Consideration, which, at Parent's option, shall be in stock certificates or uncertificated book-entry form, and (ii) its Cash Pro-Rata Share of the Aggregate Cash Consideration in immediately available funds by wire transfer to an account of such Seller with a bank designated by such Seller, by notice to Parent, which notice shall be delivered not later than two Business Days prior to the Closing Date (or if not so designated, then by certified or official bank check payable in immediately available funds to the order of such Seller in such amount).

(b) Parent shall retain, as contemplated by the Pledge Agreement, the certificates representing shares of Parent Stock otherwise deliverable to the Sellers of the Blocker Shares, all as set forth on Schedule 2.02.

(c) Each Seller shall deliver to Parent certificates (if any) for its Equity Interests duly endorsed or accompanied by stock powers duly endorsed in blank (or other similar instruments as appropriate), with any required transfer stamps affixed thereto or shall otherwise execute such documents and instruments as may be necessary or useful to transfer such Seller's Equity Interests to Parent.

Section 2.03. Purchase Price Allocation. Parent shall allocate for federal income tax purposes the Aggregate Consideration paid for the Interests in accordance with Section 755 of the Code and applicable Treasury Regulations thereunder. The Sellers' Committee shall review such Allocation and provide any objections to Parent within 30 days after the receipt thereof. If the Sellers' Committee raises any objection to the Allocation, the parties will negotiate in good faith to resolve such objection(s). If the Sellers' Committee and Parent are unable to agree on the Allocation within 15 days after the Sellers' Committee raises

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such objections, they shall request the Accounting Referee, to decide any disputed items. Parent and the Sellers' Committee shall cooperate in the filing of any forms (including, e.g., Form 8308 and compliance with Treas. Reg. 1.743-1(k), as applicable) with respect to the Allocation.

Section 2.04. Tax Benefits Payment. (a) In addition to the Aggregate Consideration but subject to Section 2.04(b), Parent agrees to pay to each Seller (other than the Sellers of Blocker Shares) an amount in cash equal to such Seller's allocable portion as set forth in Schedule 2.04 of an aggregate of $30 million (the "Pro-Rata Share of Tax Benefit Payments") on the date which is 90 days after the Closing Date (the "Tax Payment Date").

(b) Parent's obligation to make the payments pursuant to Section 2.04(a) shall be subject to the Company having in effect a valid election under Section 754 of the Code with respect to the Company's taxable year in which the Closing occurs (the "Section 754 Election").

(c) Under this Section 2.04, any cash payments by Parent shall be made in immediately available funds by wire transfer to an account of a Seller with a bank designated by such Seller, by notice to Parent, which notice shall be delivered not later than two Business Days prior to the Tax Payment Date (or if not so designated, then by certified or official bank check payable in immediately available funds to the order of such Seller in an amount equal to such Seller's Pro-Rata Share of Tax Benefit Payments).

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as set forth in the disclosure schedule (with reference to the section or subsection of this Agreement to which the information stated in such disclosure schedule relates; provided that any fact, matter or condition disclosed in any section or subsection of such disclosure schedule in such a way as to make its relevance to another section or subsection of such disclosure schedule that relates to a representation or representations made elsewhere in Article 3 of this Agreement reasonably apparent shall be deemed to be an exception to such representation or representations notwithstanding the omission of a reference or cross reference thereto) delivered by the Company to Parent prior to the execution of this Agreement (the "Company Disclosure Schedule"), the Company represents and warrants to Parent as of the date hereof and as of the Closing Date that:

Section 3.01. Existence and Power. The Company is a limited liability company duly organized, validly existing and in good standing under the laws of Delaware. The Company is duly qualified to do business as a foreign limited liability company and is in good standing in each jurisdiction where such qualification is necessary, except for those jurisdictions where failure to be so qualified would not, individually or in the aggregate, have a Company Material Adverse Effect. The Company has heretofore delivered to Parent true and complete copies of the organizational documents of the Company as currently in effect.

Section 3.02. Authorization. The execution, delivery and performance by the Company of this Agreement and the other Transactions Documents to which it is party and the consummation of the transactions contemplated hereby and thereby are within the Company's

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powers and have been duly authorized by all necessary action on the part of the Company and the Members. This Agreement and the other Transactions Documents to which it is party constitutes, and will constitute when executed, and assuming the due authorization, execution and delivery hereof and thereof by Parent, valid and binding agreements of the Company.

Section 3.03. Governmental Authorization. The execution, delivery and performance by the Company of this Agreement and the other Transactions Documents to which it is party and the consummation of the transactions contemplated hereby and thereby require no action by or in respect of, or filing with, any Governmental Authority other than (i) compliance with any applicable requirements of the HSR Act, (ii) FCC Consent with respect to the FCC Consent Application, (iii) any notices required to be given to U.S. security agencies under network security understandings, (iv) the consents and approvals set forth on Schedule 3.03 and (v) such actions or filings, if not made, would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect.

Section 3.04. Noncontravention. The execution, delivery and performance by the Company of this Agreement and the other Transactions Documents to which it is party and the consummation of the transactions contemplated hereby and thereby do not and will not (i) violate the organizational documents of the Company or any Subsidiary of the Company, (ii) assuming compliance with the matters referred to in Section 3.03, violate any Law, (iii) require any consent or other action by any Person under, constitute a default under, or give rise to any right of termination, cancellation or acceleration of any right or obligation of the Company or any Subsidiary of the Company or to a loss of any benefit to which the Company or any Subsidiary of the Company is entitled under any provision of any agreement or other instrument binding upon the Company or any Subsidiary of the Company or (iv) result in the creation or imposition of any Lien on any material asset of the Company or any Subsidiary of the Company, except for such violations, consents, actions, defaults, rights, breaches, conflicts, terminations, cancellations, impositions, modifications or accelerations referred to in clauses (ii), (iii) and (iv) that would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

Section 3.05. Capitalization. (a) The capitalization of the Company consists of the Interests set forth on Schedule 3.05(a).

(b) All Interests have been duly authorized and validly issued and are fully paid and non assessable. Except as set forth in Schedule 3.05, there are no outstanding (i) units of capital stock or voting securities of the Company, (ii) securities of the Company convertible into or exchangeable for units of capital stock or voting securities of the Company or (iii) options or other rights to acquire from the Company, or other obligation of the Company to issue, any capital stock, voting securities or securities convertible into or exchangeable for capital stock or voting securities of the Company (the items in Sections 3.05(b)(i), 3.05(b)(ii) and 3.05(b)(iii) being referred to collectively as the "Company Securities"). There are no outstanding obligations of the Company or any Subsidiary of the Company to repurchase, redeem or otherwise acquire any Company Securities.

Section 3.06. Ownership of Interests. All of the Interests are owned by the Members in the respective amounts set forth in Schedule 3.06.

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Section 3.07. Subsidiaries. (a) Each Subsidiary of the Company is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, is duly qualified to do business as a foreign limited liability company or corporation and is in good standing in each jurisdiction where such qualification is necessary, except, in each case, as would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect. All Subsidiaries of the Company and their respective jurisdictions of organization are identified on Schedule 3.07.

(b) All of the outstanding capital stock or other voting securities of each Subsidiary of the Company is owned by the Company, directly or indirectly, free and clear of any Lien and free of any other limitation or restriction (including any restriction on the right to vote, sell or otherwise dispose of such capital stock or other voting securities). There are no outstanding (i) securities of the Company or any Subsidiary of the Company convertible into or exchangeable for shares of capital stock or voting securities of any Subsidiary of the Company or (ii) options or other rights to acquire from the Company or any Subsidiary of the Company, or other obligation of the Company or any Subsidiary of the Company to issue, any capital stock, voting securities or securities convertible into or exchangeable for capital stock or voting securities of any Subsidiary of the Company (the items in Sections 3.07(b)(i) and 3.07(b)(ii) being referred to collectively as the “Subsidiary Securities”). There are no outstanding obligations of the Company or any Subsidiary of the Company to repurchase, redeem or otherwise acquire any outstanding Subsidiary Securities.

Section 3.08. Financial Statements. (a) The audited consolidated balance sheets as of December 31, 2005, 2006 and 2007 and the related audited consolidated statements of income and cash flows for each of the years ended December 31, 2005, 2006 and 2007 of the Company and its Subsidiaries fairly present, in conformity with GAAP applied on a consistent basis (except as may be indicated in the notes thereto), the consolidated financial position of the Company and its Subsidiaries as of the dates thereof and their consolidated results of operations and cash flows for the periods then ended.

(b) The unaudited consolidated balance sheets as of June 30, 2008 and the related unaudited consolidated statements of income and cash flows for the period ending thereon of the Company and its Subsidiaries fairly present, in conformity with GAAP applied on a consistent basis (except as may be indicated in the notes thereto (if any) and subject to normal year-end adjustments in amounts consistent with past experience and the absence of footnotes), the consolidated financial position of the Company and its Subsidiaries as of the dates thereof and their consolidated results of operations and cash flows for the period then ended.

Section 3.09. Absence of Certain Changes. Since the Balance Sheet Date, the business of the Company and its Subsidiaries has been conducted in the ordinary course consistent with past practices and there has not been:

(a) any event, occurrence, development or state of circumstances or facts that has had or would reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect;

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(b) any amendment of the Company LLC Agreement, the articles of incorporation, bylaws or other similar organizational documents (whether by merger, consolidation or otherwise) of the Company or any Subsidiary of the Company;

(c) any splitting, combination or reclassification of any Interests or shares of capital stock of any Subsidiary of the Company or declaration, setting aside or payment of any dividend or other distribution (whether in cash, stock or property or any combination thereof) in respect of the capital stock of the Company or any Subsidiary of the Company, or redemption, repurchase or other acquisition or offer to redeem, repurchase, or otherwise acquire any Company Securities or any Subsidiary Securities;

(d) (i) any issuance, delivery or sale, or authorization of the issuance, delivery or sale of, any units of any Company Securities or Subsidiary Securities, other than the issuance of Subsidiary Securities to the Company or any other Subsidiary of the Company or (ii) amendment of any term of any Company Security or any Subsidiary Security (in each case, whether by merger, consolidation or otherwise);

(e) any acquisition (by merger, consolidation, acquisition of stock or assets or otherwise), directly or indirectly, by the Company or any Subsidiary of the Company of any material assets, securities, material properties or businesses, other than in the ordinary course of business of the Company and its Subsidiaries in a manner consistent with past practice;

(f) any sale, lease or other transfer, or creation or incurrence of any Lien (other than Permitted Liens) on, any material assets, securities, material properties or businesses of the Company or any Subsidiary of the Company, other than in the ordinary course of business consistent with past practice;

(g) the making by the Company or any Subsidiary of the Company of any loans, advances or capital contributions to, or investments in, any other Person, other than in the ordinary course of business consistent with past practice;

(h) the creation, incurrence, assumption or sufferance to exist by the Company or any Subsidiary of the Company of any indebtedness for borrowed money or guarantees thereof other than under the Senior Loan Facilities and the Convertible Note;

(i) any damage, destruction or other casualty loss (whether or not covered by insurance) affecting the business or assets of the Company or any Subsidiary of the Company that has had or would reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect;

(j) the entering into of any agreement or arrangement that limits or otherwise restricts in any material respect the Company, any Subsidiary of the Company or any of their respective Affiliates or any successor thereto or that would reasonably be expected to, after the Closing Date, limit or restrict in any material respect the Company, any Subsidiary of the Company, Parent or any of their respective Affiliates, from engaging or competing in any line of business, in any location or with any Person or, except in the ordinary course of business consistent with past practice, waiver, release or assignment of any material rights, claims or benefits of the Company or any Subsidiary of the Company;

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(k) except as required by Law or any Employee Plan, (i) the grant or increase of any severance or termination pay to (or amend any existing arrangement with) any director or officer of the Company or any Subsidiary of the Company, (ii) any increase in benefits payable under any existing severance or termination pay policies or employment agreements in respect of any director or officer of the Company or any Subsidiary of the Company, (iii) the entering into of any employment, deferred compensation or other similar agreement (or amendment of any such existing agreement) with any director or officer of the Company or any Subsidiary of the Company, (iv) the establishment, adoption or amendment of any collective bargaining, bonus, profit-sharing, thrift, pension, retirement, deferred compensation, compensation, stock option, restricted stock or other benefit plan or arrangement covering any director or officer of the Company or any Subsidiary of the Company or (v) any increase in compensation, bonus or other benefits payable to any director or officer of the Company or any Subsidiary of the Company, in each case, other than in the ordinary course of business consistent with past practice;

(l) any labor dispute, other than routine individual grievances, or any activity or proceeding by a labor union or representative thereof to organize any employees of the Company or any Subsidiary of the Company, or any lockouts, strikes, slowdowns, work stoppages or threats thereof by or with respect to such employees;

(m) any change in the Company's methods of accounting, except as required by concurrent changes in GAAP as agreed to by its independent public accountants; or

(n) any settlement, or offer or proposal to settle, of (i) any material litigation, investigation, arbitration, proceeding or other claim involving or against the Company or any Subsidiary of the Company before any arbitrator or Governmental Authority or (ii) any litigation, arbitration or proceeding that relates to the transactions contemplated hereby before any arbitrator or Governmental Authority.

(o) any material restrictions or limitations imposed on the FCC Licenses or Foreign Permits, or any revocation, non-renewal, suspension or adverse modification of a material FCC License or a material Foreign Permit.

Section 3.10. No Undisclosed Material Liabilities. There are no liabilities of the Company or any Subsidiary of the Company of any kind whatsoever, whether accrued, contingent, absolute, determined, determinable or otherwise, other than:

(a) liabilities provided for in the Balance Sheet or disclosed in the notes thereto;

(b) liabilities set forth in Schedule 3.10; and

(c) other undisclosed liabilities which, individually or in the aggregate, are not material to the Company and its Subsidiaries, taken as a whole.

Section 3.11. Intercompany Accounts. Schedule 3.11 contains a complete list of all intercompany balances as of the Balance Sheet Date between each Member and its Affiliates, on the one hand, and the Company and its Subsidiaries, on the other hand. Since the Balance Sheet Date there has not been any accrual of liability by the Company or any Subsidiary of the Company to any Member or any of its Affiliates or other transaction between the

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Company or any Subsidiary of the Company and any Member and any of its Affiliates, except with respect to the period prior to the date of this Agreement, in the ordinary course of business of the Company and its Subsidiaries consistent with past practice, and thereafter, as provided in Schedule 3.11.

Section 3.12. Material Contracts. (a) As of the date hereof, neither the Company nor any Subsidiary of the Company is a party to or bound by:

(i) any lease (whether of real or personal property) providing for annual rentals of $500,000 or more;

(ii) any agreement for the purchase of materials, supplies, goods, services, equipment or other assets providing for either (A) annual payments by the Company and its Subsidiaries of $1,000,000 or more or (B) aggregate remaining payments by the Company and its Subsidiaries of $5,000,000 or more;

(iii) any sales, distribution, dealer, sales representative, marketing, license or other similar agreement providing for the sale by the Company or any Subsidiary of the Company of materials, supplies, goods, services, equipment or other assets that provides for either (A) annual payments to the Company and its Subsidiaries of 1,000,000 or more or (B) aggregate remaining payments to the Company and its Subsidiaries of $5,000,000 or more;

(iv) any partnership, joint venture or other similar agreement or arrangement;

(v) any agreement relating to the acquisition or disposition of any business (whether by merger, sale of stock, sale of assets or otherwise);

(vi) any agreement relating to indebtedness for borrowed money or the deferred purchase price of property (in either case, whether incurred, assumed, guaranteed or secured by any asset), except any such agreement (A) with an aggregate outstanding principal amount not exceeding $5,000,000 and which may be prepaid on not more than 30 days' notice without the payment of any penalty and (B) entered into

subsequent to the date of this Agreement as permitted by Section 6.01;

(vii) any option, franchise or similar agreement;

(viii) any agreement that limits the freedom of the Company or any Subsidiary of the Company to compete in any line of business or with any Person or in any area or which would so limit the freedom of the Company, Parent or any of their respective Subsidiaries and Affiliates after the Closing Date (excluding an Employee Plan); or

(ix) any agreement with (A) any Member or any of its Affiliates, (B) any Person directly or indirectly owning, controlling or holding with power to vote, 5% or more of the outstanding voting securities of any Member (if not an individual) or any of its Affiliates, (C) any Person 5% or more of whose outstanding voting securities are directly or indirectly owned, controlled or held with power to vote by any Member or any of its Affiliates or (D) any director or officer of the Company, any Subsidiary of the

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Company, any Member (if not an individual) or any of their respective Affiliates or any "associates" or members of the "immediate family" (as such terms are respectively defined in Rule 12b-2 and Rule 16a-1 of the 1934 Act) of any such director or officer.

(b) Each agreement, contract, plan, lease, arrangement or commitment disclosed in any Schedule to this Agreement or required to be disclosed pursuant to this Section is a valid and binding agreement of the Company or a Subsidiary of the Company, as the case may be, and is in full force and effect, and none of the Company, any Subsidiary of the Company or, to the knowledge of the Company, any other party thereto is in default or breach in any material respect under the terms of any such agreement, contract, plan, lease, arrangement or commitment, and, to the knowledge of the Company, no event or circumstance has occurred that, with notice or lapse of time or both, would constitute any event of default thereunder, in each case, except as would not reasonably be expected to have a Company Material Adverse Effect. True and complete copies of each such agreement, contract, plan, lease, arrangement or commitment have been delivered to Parent.

Section 3.13. Litigation. There is no material action, suit, investigation or proceeding pending against, or to the knowledge of the Company, threatened against, the Company or any Subsidiary of the Company or any of their respective properties before any arbitrator or any Governmental Authority.

Section 3.14. Compliance with Laws and Court Orders. Except for such failures to comply, and notices, actions and assertions concerning such failures to comply, that have not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect or have a material adverse impact on the ability of the Company or any of its Subsidiaries to consummate the transaction contemplated by this Agreement since December 31, 2004: (i) the Company and each of its Subsidiaries has conducted its business in material compliance with all Laws and (ii) no notice, action, or assertion has been received by the Company or any of its Subsidiaries or , to the knowledge of the Company, has been filed, commenced or threatened against the Company or any of its Subsidiaries alleging any violation of any Law applicable to them or by which their respective properties are bound or affected.

Section 3.15. Properties. (a) The Company and its Subsidiaries have good and marketable title to, or in the case of leased property and assets have valid leasehold interests in, all material property and material assets (whether real, personal, tangible or intangible) reflected on the Balance Sheet or acquired after the Balance Sheet Date, except for properties and assets sold or disposed of since the Balance Sheet Date in the ordinary course of business consistent with past practices. None of such material property or material assets is subject to any Lien, except:

(i) Liens disclosed on the Balance Sheet;

(ii) Liens for taxes not yet due or being contested in good faith (and for which adequate accruals or reserves have been established on the Balance Sheet); or

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(iii) Liens which do not materially detract from the value or materially interfere with any present or intended use of such property or assets (clauses (i) - (iii) of this Section 3.15(a) are, collectively, the “Permitted Liens”).

(b) There are no developments affecting any such property or assets pending or, to the knowledge of the Company threatened, which would, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect.

(c) Except as would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, all leases of such real property and personal property are in good standing and are valid, binding and enforceable in accordance with their respective terms and there does not exist under any such lease any default or any event which with notice or lapse of time or both would constitute a default.

(d) Except as would not reasonably be expected to have a Company Material Adverse Effect, the plants, buildings, structures and equipment owned by the Company or any Subsidiary of the Company have no defects, are in good operating condition and repair and have been reasonably maintained consistent with standards generally followed in the industry, are adequate and suitable for their present uses (in each case giving due account to the age and length of use of same, ordinary wear and tear excepted).

(e) The material tangible property and material tangible assets owned or leased by the Company or any Subsidiary of the Company, or which they otherwise have the right to use, constitute all of the material tangible property and material tangible assets used or held for use in connection with the businesses of the Company or any Subsidiary of the Company and are adequate to conduct such businesses as currently conducted.

Section 3.16. Intellectual Property. (a) Schedule 3.16(a) contains a true and complete list of all registrations or applications for registration included in the Owned Intellectual Property Rights.

(b) The Company Intellectual Property Rights constitute all of the Intellectual Property Rights necessary to the conduct of the business of the Company and its Subsidiaries as currently conducted. There exist no material restrictions on the disclosure, use, license or transfer of any Owned Intellectual Property Rights or Company Technology owned by the Company or any of its Subsidiaries. The consummation of the transactions contemplated by this Agreement will not, in and of itself, alter, encumber, impair or extinguish the rights of the Company or its Subsidiaries in any material Company Intellectual Property Rights or material Company Technology.

(c) Neither the Company nor any of its Subsidiaries has infringed, misappropriated or otherwise violated any Intellectual Property Right of any Person in any material respect. Except as would not reasonably be expected to have a Company Material Adverse Effect, there is no claim, action, suit, investigation or proceeding pending against, or, to the knowledge of the Company, threatened in writing (including invitations to take a patent license to avoid a claim of infringement) against, the Company or any of its Subsidiaries (i) based upon, or challenging or seeking to deny or restrict, the rights of the Company or any of its Subsidiaries in any of the

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Company Intellectual Property Rights or the Company Technology, (ii) alleging that the use of the Company Intellectual Property Rights or the Company Technology or any services provided, processes used or products manufactured, used, imported, offered for sale or sold by the Company or any of its Subsidiaries do or may conflict with, misappropriate, infringe or otherwise violate any Intellectual Property Right of any third party or (iii) alleging that the Company or any of its Subsidiaries have infringed, misappropriated or otherwise violated any Intellectual Property Right of any Person.

(d) No material Owned Intellectual Property Rights have been adjudged invalid or unenforceable in whole or part, and, to the knowledge of the Company, all material Owned Intellectual Property Rights are valid and enforceable. The Company and its Subsidiaries hold

(i) all right, title and interest in and to all material Owned Intellectual Property Rights and the material Company Technology owned by the Company or any of its Subsidiaries, and (ii) the right to use all material Licensed Intellectual Property Rights and the material Company Technology licensed or leased by the Company or any of its Subsidiaries, in each case free and clear of any Lien (other than Permitted Liens). The Company and its Subsidiaries have taken all reasonable actions necessary to maintain and protect their rights in all material Company Intellectual Property Rights and material Company Technology.

(e) To the knowledge of the Company, no Person has infringed, misappropriated or otherwise violated any of the material Owned Intellectual Property Rights. To the knowledge of the Company, the Company and its Subsidiaries have taken reasonable steps to maintain the confidentiality of all material Company Intellectual Property Rights and material Company Technology the value of which to the Company or any of its Subsidiaries is contingent upon maintaining the confidentiality thereof and no such Company Intellectual Property Rights or Company Technology has been disclosed other than to employees, representatives and agents of the Company or any of its Subsidiaries or others who, in all cases, are bound by written confidentiality agreements or other obligations of confidentiality.

(f) The Company Technology operates and performs in all material respects in a manner that permits the Company and its Subsidiaries to conduct their respective businesses as currently conducted. To the knowledge of the Company, (i) neither the Company nor any of its Subsidiaries has experienced any material defects in any material Company Technology that have not been satisfactorily resolved and (ii) no Person has gained unauthorized access to any material Company Technology.

Section 3.17. Insurance Coverage. The Company has furnished to Parent a list of, and true and complete copies of, all insurance policies and fidelity bonds relating to the assets, business, operations, employees, officers or directors of the Company and its Subsidiaries. Except as would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, there is no claim by the Company or any Subsidiary of the Company pending under any of such policies or bonds as to which coverage has been questioned, denied or disputed by the underwriters of such policies or bonds or in respect of which such underwriters have reserved their rights. The Company and its Subsidiaries have complied fully with the terms and conditions of all such policies and bonds. Such policies of insurance and bonds (or other policies and bonds providing substantially similar insurance coverage) have been in effect since December 31, 2004 and remain in full force and effect. The

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Company does not know of any threatened termination of, material premium increase with respect to, or material alteration of coverage under, any of such policies or bonds.

Section 3.18. Licenses and Permits. (a) Except as would not reasonably be expected to have a Company Material Adverse Effect, (i) the Company and its Subsidiaries have all material licenses, franchises, permits, certificates, approvals or other similar authorizations affecting, or relating in any way to, the assets or business of the Company and its Subsidiaries necessary to conduct their business in the manner in which it is currently conducted (collectively, including all FCC Licenses and Foreign Permits, the "Permits"), (ii) the Permits are valid and in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired, (iii) neither the Company nor any Subsidiary of the Company is in default under, and no condition exists that with notice or lapse of time or both would constitute a default under, the Permits and (iv) none of the Permits will be terminated or impaired or become terminable, in whole or in part, as a result of the transactions contemplated hereby. Schedule 3.18(a) lists all of the FCC Licenses held by the Company and its Subsidiaries and describes all material pending applications filed by the Company or any Subsidiary of the Company with the FCC in connection with the operation or planned operation of the business of the Company and its Subsidiaries. Schedule 3.18(a) lists all FCC Consent Applications.

(b) Except for restrictions or conditions that appear on the face of the FCC Licenses or Foreign Permits, and except for restrictions or conditions that pertain to the FCC Licenses under generally applicable rules of the FCC, including those pertaining to satellite and common carrier radio licenses, and except as set forth in Schedule 3.18(b), to the Company's knowledge no FCC License or Foreign Permit held by the Company or any Subsidiary of the Company is subject to any restriction or condition which would limit the operation of the Company's and its Subsidiaries' business as it is currently conducted. Except as set forth in Schedule 3.18(b), no proceeding, inquiry, investigation or other administrative action is pending or, to the Company's knowledge, threatened by or before the FCC or any applicable non-United States Governmental Authority to revoke, suspend, cancel, rescind or modify any material FCC License or Foreign Permit or otherwise impair in any material respect the operation of the Company's and its Subsidiaries' business as it is currently conducted (other than proceedings to amend the Communications Laws or proceedings of general applicability to the satellite industry). No application, action or proceeding is pending for the renewal of any FCC License or Foreign Permit as to which any petition to deny or objection has been filed.

Section 3.19. Finders' Fees. Except for Evercore Group LLC and Fieldstone Partners, Inc., whose fees and expenses shall be paid only pursuant to the arrangements set forth on Schedule 3.19 and will be paid by the Company, there is no investment banker, broker, finder or other intermediary which has been retained by or is authorized to act on behalf of any Seller, Member, Blocker Entity or the Company or any Subsidiary of the Company who might be entitled to any fee or commission in connection with the transactions contemplated by the Transaction Documents.

Section 3.20. Employees. Schedule 3.20 sets forth a true and complete list of the names, titles, annual salaries and other compensation of all officers of the Company and its Subsidiaries and all other employees of the Company and its Subsidiaries whose annual base salary exceeds $300,000.

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Section 3.21. Labor Matters. (a) Except as would not reasonably be expected to result in a material liability to the Company or any of its Subsidiaries, the Company and its Subsidiaries are in compliance with all Laws respecting employment and employment practices, terms and conditions of employment and wages and hours, and are not engaged in any unfair labor practice. Except as would not reasonably be expected to result in a material liability to the Company or any of its Subsidiaries, there is no unfair labor practice complaint pending or, to the knowledge of the Company, threatened against the Company or any Subsidiary of the Company before the National Labor Relations Board.

(b) (A) neither the Company nor any of its Subsidiaries has effectuated either (i) a "plant closing" (as defined in the Worker Adjustment and Retraining Notification Act ("WARN")) affecting any site of employment or one or more facilities or operating units within any site of employment or facility of the Company or any Subsidiary thereof or (ii) a "mass layoff" (as defined in WARN) affecting any site of employment or facility of the Company or any Subsidiary thereof and (B) neither the Company nor any of its Subsidiaries has been affected by any transaction or engaged in layoffs or employment terminations sufficient in number to trigger application of any similar law, rule or regulation, and none of the employees of the Company or any of its Subsidiaries has suffered an "employment loss" (as defined in WARN) during the six months prior to the date hereof.

(c) Neither the Company nor any of its Subsidiaries is a party to or subject to, or is currently negotiating in connection with entering into, any collective bargaining agreement or other labor agreement with any union or labor organization.

Section 3.22. Taxes.

Except as would not reasonably be expected to have a Company Material Adverse Effect:

(a) The Company and its Subsidiaries have each timely filed (or will timely file) all returns, reports, statements and forms required to be filed under the Code or applicable state, local or foreign Tax Laws (the "Tax Returns") for taxable years or periods ending on or before the Closing Date, and all Tax Returns when filed were true, correct and complete in all respects;

(b) The Company and its Subsidiaries have each timely paid (or will pay) all Taxes due for such periods and has made adequate provision in accordance with GAAP for any Taxes not yet due and payable;

(c) The US federal and state income and franchise Tax Returns of the Company and its Subsidiaries through the Tax year ended December 31, 2003 have each been examined and closed or are Tax Returns with respect to which the applicable period for assessment under Law, after giving effect to extensions or waivers, has expired;

(d) No Liens for Taxes other than Permitted Liens have been filed, and no claims or adjustments are being asserted or threatened by a Governmental Authority in writing with respect to any Taxes of the Company or its Subsidiaries;

(e) Neither the Company nor any of its Subsidiaries is subject to any outstanding Tax audit, inquiry or assessment (and no written notice of any such event has been received);

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(f) The Company and its Subsidiaries have each complied with all Laws relating to the payment and withholding of Taxes;

(g) There has not been any Tax election or any change in any Tax election, change in annual tax accounting period, adoption of, or change in, any method of tax accounting, amendment of any Tax Return, filing of a claim for any Tax refund, entering into of any closing agreement, settlement of any Tax claim, audit or assessment, or surrender of any right to claim a Tax refund, offset or other reduction in Tax liability with respect to the Company or any of its Subsidiaries since the Balance Sheet Date;

(h) There are no outstanding waivers or comparable consents regarding the application of the statute of limitations with respect to any Taxes or Tax Returns of the Company or any of its Subsidiaries, nor any agreement to any extension of time with respect to a Tax assessment or deficiency, and no such waivers, consents or agreements have been requested;

(i) Neither the Company nor any of its Subsidiaries is a party to any agreement or arrangement with any Tax Authority or any other Person with regard to Taxes, including any contract providing for the allocation or sharing of Taxes;

(j) Neither the Company nor any of its Subsidiaries has entered into, engaged in or participated in any "reportable transaction" as described in Section 1.6011-4(b) of the Treasury Regulations (or any similar provision of applicable state or local law);

(k) No claim has been received from a Tax Authority in a jurisdiction where the Company or any of its Subsidiaries, as the case may be, does not file Tax Returns with respect to a particular type of Tax that the Company or any of its Subsidiaries, as the case may be, may be subject to, or liable for, that particular type of Tax in that jurisdiction. Schedule 3.22(k) contains a list of all jurisdictions (whether foreign or domestic) to which any Tax is properly payable or any Tax Return is filed, by or on behalf of the Company or any of its Subsidiaries;

(l) The Company and its Subsidiaries (other than the Subsidiaries listed on Schedule 3.22(l)) are (and have been since the date of its formation) properly classified as a partnership or a disregarded entity for U.S. federal, state and local income Tax purposes; and

(m) Neither the Company nor any related person within the meaning of Section 197(f)(9) of the Code has held or used, at any time on or prior to August 10, 1993, any Section 197 intangible described in subparagraph (A) or (B) of Section 197(d)(1) of the Code.

Section 3.23. Employee Plans. (a) Schedule 3.23(a) contains a correct and complete list identifying each material "employee benefit plan", as defined in Section 3(3) of ERISA, each material employment, severance or similar contract, plan, arrangement or policy and each other plan or arrangement (written or oral) providing for compensation, bonuses, profit- sharing, stock option or other stock related rights or other forms of incentive or deferred compensation, vacation benefits, insurance (including any self-insured arrangements), health or medical benefits, employee assistance program, disability or sick leave benefits, workers' compensation, supplemental unemployment benefits, severance benefits and post-employment or retirement benefits (including compensation, pension, health, medical or life insurance benefits) which is maintained, administered or contributed to by the Company or any ERISA Affiliate

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thereof and covers any employee or former employee of the Company or any Subsidiary of the Company, or with respect to which the Company or any Subsidiary of the Company has any liability (excluding International Plans). Copies of such plans (and, if applicable, related trust or funding agreements or insurance policies) and all amendments thereto have been furnished to Parent together, to the extent applicable, with the most recent annual report (Form 5500 including, if applicable, Schedule B thereto) and tax return (Form 990) prepared in connection with any such plan or trust. Such plans (excluding International Plans) are referred to collectively herein as the "Employee Plans".

(b) None of the Company or any ERISA Affiliate thereof sponsors, maintains or contributes to, or has in the past six years sponsored, maintained or contributed to, any Employee Plan subject to Title IV of ERISA.

(c) None of the Company or any ERISA Affiliate thereof contributes to, or has in the past six years contributed to, any multiemployer plan, as defined in Section 3(37) of ERISA.

(d) (i) Each Employee Plan that is intended to be qualified under Section 401(a) of the Code has received a favorable determination letter, or has pending or has time remaining in which to file, an application for such determination from the Internal Revenue Service, and to the Company's knowledge, there is no reason why any such determination letter should be revoked or not be reissued, (ii) each Employee Plan has been maintained in material compliance with its terms and with the requirements prescribed by any and all statutes, orders, rules and regulations, including ERISA and the Code, which are applicable to such Employee Plan, and (iii) no material events have occurred with respect to any Employee Plan that would reasonably be expected to result in payment or assessment by or against the Company of any material excise taxes under the Code.

(e) Except as set forth in Schedule 3.23(e) or pursuant to an Employee Plan, neither the Company nor any Subsidiary of the Company has any current or projected material liability in respect of post-employment or post-retirement health or medical or life insurance benefits for retired, former or current employees of the Company or any Subsidiary of the Company, except as required to avoid excise tax under Section 4980B of the Code.

(f) No prohibited transaction as defined by Section 406 of ERISA or Section 4975 of the Code, has occurred with respect to any Employee Plan, which transaction has or will cause the Company or any of its Subsidiaries, taken as a whole, to incur material liability under ERISA, the Code or otherwise, excluding transactions effected pursuant to and in compliance with any statutory or administrative exemption.

(g) No Employee Plan that is an "employee welfare benefit plan" within the meaning of Section 3(1) of ERISA, is funded by a trust or subject to Section 419 or 419A of the Code.

(h) Each Employee Plan that is subject to Section 409A of the Code has been operated in good faith compliance with the requirements of Section 409A and the guidance issued thereunder. Schedule 3.23(h) lists each Employee Plan that is an excess benefit plan, as defined in Section 3(36) of ERISA.

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(i) With respect to each Employee Plan, there are no material restrictions on the ability of the plan sponsor to amend or terminate such Employee Plan, and the sponsor has expressly reserved in itself the right to amend, modify or terminate any such Employee Plan.

(j) Except as disclosed on Schedule 3.23(j), no payment made as a result of, or in connection with, the transactions contemplated by this Agreement will fail to qualify for a deduction as a result of Section 280G of the Code, or be subject to tax under Section 4999 of the Code.

(k) Schedule 3.23(l) identifies each International Plan. The Company has furnished to Parent copies of each International Plan. Each International Plan has been maintained in substantial compliance with its terms and with the requirements prescribed by any and all applicable statutes, orders, rules and regulations (including any special provisions relating to qualified plans where such Plan was intended to so qualify) and has been maintained in good standing with applicable Governmental Authorities.

(l) For purposes of this Agreement, “International Plan” means any material employee benefit plan, program or arrangement presently maintained, or contributed to, by the Company or any ERISA Affiliate thereof, for the benefit of any current or former employee thereof, including any such plan required to be maintained or contributed to by any applicable law, rule or regulation of the relevant jurisdiction, which would be an Employee Plan but for the fact that such plan is maintained outside the jurisdiction of the United States. For the avoidance of doubt, no plan maintained or administered by a Governmental Authority shall constitute an International Plan.

(m) Except as set forth on Schedule 3.23(m), no employee or former employee of the Company or any Subsidiary of the Company will become entitled to any material bonus, retirement, severance or job security or similar benefit, or the enhancement of any such benefit (including acceleration of vesting or exercise of an incentive award), as a result of the consummation of the transactions contemplated by this Agreement.

(n) There are no outstanding loans or other extensions of credit made by the Company or any of its Subsidiaries to any executive officer (as defined in Rule 3b-7 under the 1934 Act) or director of the Company that would be prohibited under the Sarbanes-Oxley Act.

(o) There is no action, suit, investigation, audit or proceeding pending against or involving or, to the knowledge of the Company, threatened against or involving any Employee Plan before any arbitrator or any Governmental Authority that would reasonably be expected to result in a material liability to the Company or any of its Subsidiaries.

Section 3.24. Environmental Matters. (a) Except as would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect:

(i) no written notice, notification, demand, complaint, request for information, citation, summons or order has been received, no penalty has been assessed and no action, claim, suit, proceeding or review is pending, or to the Company’s knowledge, threatened by any Governmental Authority or other Person with respect to any matters relating to the Company or any Subsidiary of the Company and relating to or

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arising out of any Environmental Law or relating to the actual or alleged exposure to a Hazardous Substance.

(ii) The Company and its Subsidiaries are and have been in compliance with all Environmental Laws and have obtained and are in compliance with all Environmental Permits; such Environmental Permits are valid and in full force and effect and will not be terminated or impaired or become terminable, in whole or in part, as a result of the transactions contemplated hereby.

(iii) No Hazardous Substance has been discharged, disposed of, dumped, injected, pumped, deposited, spilled, leaked, emitted or released at, on, to, from or under any property now or previously owned, leased or operated by the Company or any Subsidiary of the Company or any predecessor of the Company or any Subsidiary of the Company (including Iridium LLC) in a manner that would result in liability under any Environmental Law.

(b) There has been no material written environmental investigation, study, audit, test, review or other written environmental analysis conducted of which the Company has possession or control in relation to any material portion of the current or prior business of the Company or any Subsidiary of the Company or any material property or facility now or previously owned, leased or operated by the Company or any Subsidiary of the Company which has not been delivered or otherwise made available to Parent prior to the date hereof.

Section 3.25. Disclosure Documents. The information provided by the Company for inclusion in the Parent Proxy Statement or any amendment or supplement thereto will not, at the time the Parent Proxy Statement or any amendment or supplement thereto is first mailed to stockholders of Parent and at the time the stockholders vote on adoption of this Agreement, contain any statement which, at the time and in light of the circumstances under which it is made, is false or misleading with respect to any material fact, or omit to state any material fact necessary in order to make the statements therein not false or misleading.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF SELLERS

Except as set forth in the disclosure schedule (with reference to the section or subsection of this Agreement to which the information stated in such disclosure schedule relates; provided that any fact, matter or condition disclosed in any section or subsection of such disclosure schedule in such a way as to make its relevance to another section or subsection of such disclosure schedule that relates to a representation or representations made elsewhere in Article 4 of this Agreement reasonably apparent shall be deemed to be an exception to such representation or representations notwithstanding the omission of a reference or cross reference thereto) delivered by the applicable Seller to Parent prior to the execution of this Agreement (as applicable, the “Seller Disclosure Schedule”), each Seller, severally and not jointly, represents and warrants to Parent as of the date hereof and as of the Closing Date solely with respect to such Seller to Parent that:

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Section 4.01. Existence and Power. If such Seller is not an individual, such Seller is duly organized and validly existing under the Laws of its jurisdiction of organization.

Section 4.02. Authorization. The execution, delivery and performance by such Seller (if not an individual) of this Agreement, the other Transaction Documents to which it is party and the consummation of the transactions contemplated hereby and thereby are within such Seller's powers and have been duly authorized by all necessary action on the part of such Seller. If such Seller is an individual, the execution, delivery and performance by such Seller of this Agreement, the other Transaction Documents to which it is party and the consummation of the transactions contemplated hereby and thereby requires no spousal consent. This Agreement and the other Transaction Documents to which such Seller is a party constitutes, and will constitute when executed by such Seller, assuming the due authorization, execution and delivery hereof and thereof by the other parties hereto and thereto, valid and binding agreements of such Seller.

Section 4.03. Noncontravention. The execution, delivery and performance by such Seller of this Agreement, the other Transaction Documents to which it is party and the consummation of the transactions contemplated hereby and thereby do not and will not (i) violate the organizational documents of such Seller (if not an individual) or any Blocker Entity in which such Seller owns any Blocker Shares, (ii) subject to the Company obtaining any required consents or approvals from Governmental Authorities as set forth in Section 3.03, violate any Law, (iii) with or without notice, lapse of time, or both, require any consent or other action by any Person under or constitute a breach of or default under any provision of any agreement or other instrument binding on such Seller or any Blocker Entity in which such Seller owns any Blocker Shares or (iv) result in the creation or imposition of any Lien on the Units of such Seller.

Section 4.04. Ownership of Equity Interests. Such Seller is the record and beneficial owner of the Equity Interests set forth opposite its name on Schedule 4.04, free and clear of any Lien (including any restriction on the right to vote, sell or otherwise dispose of such Equity Interests) other than restrictions under applicable securities Laws and those restrictions contained in the Company LLC Agreement. By execution of this Agreement, such Seller (i) hereby consents in all respects to all of the transactions contemplated by this Agreement, the Note Purchase Agreement (including the amendment to the Company LLC Agreement contemplated thereby) and the Convertible Note and hereby waives all restrictions contained in the Company LLC Agreement or any other agreement to which such Seller is a party pertaining thereto, (ii) hereby waives any preemptive rights under the Company LLC Agreement with respect to the transactions contemplated by the Note Purchase Agreement and the Convertible Note, and (iii) hereby agrees that such Seller will cease to have any antidilution rights with respect to its Interests; provided that clause (iii) shall not apply to the Greenhill Noteholder. Except as set forth on Schedule 4.04, none of such Equity Interests is subject to any voting trust or other agreement or arrangement with respect to the voting thereof. Except for Equity Interests listed on Schedule 4.04, such Seller does not own any other Equity Interests.

Section 4.05. Litigation. There is no action, suit, investigation or proceeding pending against, or to the knowledge of such Seller threatened in writing against or affecting, such Seller or any Blocker Entity in which such Seller owns any Blocker Shares, before any court or arbitrator or any Governmental Authority or official which in any manner challenges or

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seeks to prevent, enjoin, alter or materially delay the transactions contemplated by the Transaction Documents.

Section 4.06. Finders' Fees. Except as provided by Section 3.19 hereof, there is no investment banker, broker, finder or other intermediary which has been retained by or is authorized to act on behalf of such Seller or any Blocker Entity in which such Seller owns any Blocker Shares who might be entitled to any fee or commission in connection with the transactions contemplated by the Transaction Documents.

Section 4.07. The Blocker Entities.

(a) With respect to each Blocker Entity in which such Seller owns any Blocker Shares, such Blocker Entity is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization and has all powers and all governmental licenses, authorizations, permits, consents and approvals required to carry on its business as now conducted. Such Blocker Entity is duly qualified to do business as a foreign corporation and is in good standing in each jurisdiction where such qualification is necessary. Such Seller or such Blocker Entity has heretofore delivered to Parent true and complete copies of the organizational documents of such Blocker Entity as currently in effect.

(b) With respect to each Blocker Entity in which such Seller owns any Blocker Shares:

(i) The capitalization of such Blocker Entity consists of the Blocker Shares set forth on Schedule 4.07(b)(i).

(ii) All Blocker Shares have been duly authorized and validly issued and are fully paid and non assessable. Except as set forth in this Section 4.07, there are no outstanding (A) units of capital stock or voting securities of such Blocker Entity, (B) securities of such Blocker Entity convertible into or exchangeable for units of capital stock or voting securities of such Blocker Entity or (C) options or other rights to acquire from such Blocker Entity, or other obligation of such Blocker Entity to issue, any capital stock, voting securities or securities convertible into or exchangeable for capital stock or voting securities of such Blocker Entity (the items in Sections 4.07(b)(ii)(A), 4.07(b)(ii)(B) and 4.07(b)(ii)(C) being referred to collectively as the "Blocker Entity Securities"). There are no outstanding obligations of such Blocker Entity or any Subsidiary of such Blocker Entity to repurchase, redeem or otherwise acquire any Blocker Entity Securities.

(iii) Since the date of its organization, such Blocker Entity has not engaged in any activity other than the ownership of the Interests held by such Blocker Entity.

(iv) Other than the liabilities set forth on Schedule 4.07(b)(iv) and liabilities for Taxes (representations and warranties with respect to Taxes being provided exclusively in Section 4.07(c)), there are no liabilities of such Blocker Entity of any kind whatsoever, whether accrued, contingent, absolute, determined, determinable or

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otherwise, and there is no existing condition, situation or set of circumstances which could result in such a liability.

(v) Such Blocker Entity has not violated, and to the knowledge of such Seller, is not under investigation with respect to and has not been threatened to be charged with or given notice of any violation of, any Law.

(c) With respect to Taxes of each Blocker Entity in which such Seller owns any Blocker Shares, except as set forth in Section 4.07(c) of such Blocker Entity Disclosure Schedule:

(i) Such Blocker Entity has timely filed (or will timely file) all material Tax Returns for taxable years or periods ending on or before the Closing Date, and all Tax Returns when filed were true, correct and complete in all material respects;

(ii) Syncom Blocker has timely paid (or will timely pay) all of its Taxes (including estimated Tax payments) for all Pre-Closing Tax Periods;

(iii) Baralonco Blocker has timely paid (or will timely pay) all of its Taxes (including estimated Tax payments) for all Pre-Closing Tax Periods (taking into account Tax withholding amounts withheld by the Company);

(iv) The income and franchise Tax Returns of such Blocker Entity through the Tax year ended December 31, 2003 have each been examined and closed or are Tax Returns with respect to which the applicable period for assessment under Law of underpayments of Tax for such years, after giving effect to extensions or waivers, has expired;

(v) No Liens for Taxes other than Permitted Liens have been filed, and no material claims or adjustments are being asserted or threatened by a Governmental Authority in writing with respect to any Taxes of such Blocker Entity;

(vi) Such Blocker Entity is not subject to any material outstanding Tax audit, inquiry or assessment (and no written notice of any such event has been received);

(vii) Such Blocker Entity has materially complied with all Laws relating to the payment and withholding of Taxes;

(viii) There has not been any material Tax election or any change in any material Tax election, change in annual tax accounting period, adoption of, or change in, any method of tax accounting, amendment of any Tax Return, filing of a claim for any material Tax refund, entering into of any material closing agreement, settlement of any material Tax claim, audit or assessment, or surrender of any right to claim a material Tax refund, offset or other reduction in Tax liability since the Balance Sheet Date;

(ix) There are no outstanding waivers or comparable consents regarding the application of the statute of limitations with respect to any Taxes or Tax Returns of such Blocker Entity, nor any agreement to any extension of time with respect to a Tax

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assessment or deficiency, and no such waivers, consents or agreements have been requested;

(x) Such Blocker Entity is not a party to any agreement or arrangement with any Tax Authority or any other Person with regard to Taxes, including, any contract providing for the allocation or sharing of Taxes;

(xi) Such Blocker Entity has not entered into, engaged in or participated in any "reportable transaction" as described in Section 1.6011-4(b) of the Treasury Regulations (or any similar provision of applicable state or local law);

(xii) No material claim has been received from a Tax Authority in a jurisdiction where such Blocker Entity does not file Tax Returns with respect to a particular type of Tax that such Blocker Entity may be subject to, or liable for, that particular type of Tax in that jurisdiction. Schedule 4.07(c) contains a list of all jurisdictions (whether foreign or domestic) to which any Tax is properly payable or any Tax Return is filed, by or on behalf of such Blocker Entity; and

(xiii) Such Blocker Entity is (and has been since the date of its formation) properly classified for U.S. federal, state and local income Tax purposes (x) in the case of Syncom Blocker, as a domestic corporation and (y) in the case of Baralonco Blocker, as a foreign corporation.

Section 4.08. Purchase for Investment. Such Seller (as a Stock Buyer) is purchasing the Purchased Shares for investment for its own account and not with a view to, or for sale in connection with, any distribution thereof. Such Stock Buyer (either alone or together with its advisors) has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its investment in the Purchased Shares and is capable of bearing the economic risks of such investment. Such Stock Buyer acknowledges that it has not relied upon any express or implied representations or warranties of any nature made by or on behalf of or imputed to Parent, except as expressly set forth in this Agreement.

Section 4.09. 1933 Act Compliance.

(a) Such Seller (as a Stock Buyer) is an "accredited investor" within the meaning of Regulation D under the 1933 Act.

(b) Such Stock Buyer acknowledges that the Purchased Shares have not been registered under the 1933 Act and may not be offered or sold except in accordance with the registration requirements of the 1933 Act or pursuant to an exemption from the registration requirements of the 1933 Act. Accordingly, such Stock Buyer represents and agrees that (i) it will sell the Purchased Shares only in accordance with the registration requirements under the 1933 Act, pursuant to Rule 144 under the 1933 Act (if available) or in offshore transactions pursuant to Regulation S under the 1933 Act and (ii) it has not and will not engage in any hedging transactions with regard to any Purchased Shares except in compliance with the 1933 Act. Such Stock Buyer acknowledges that the Purchased Shares will bear a legend to the effect set forth in Section 8.12 and that Parent will be required by the terms of this Agreement to refuse

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to register any transfers of such Purchased Shares not made in accordance with this provision. Such Stock Buyer further acknowledges that, except as required under the Registration Rights Agreement, Parent is not required to file a registration statement to permit sales of the Purchased Shares on a registered basis.

ARTICLE 5

REPRESENTATIONS AND WARRANTIES OF PARENT

Except as disclosed in the Parent SEC Documents filed before the date of this Agreement, and except as set forth in the disclosure schedule (with reference to the section or subsection of this Agreement to which the information stated in such disclosure schedule relates; provided that any fact, matter or condition disclosed in any section or subsection of such disclosure schedule in such a way as to make its relevance to another section or subsection of such disclosure schedule that relates to a representation or representations made elsewhere in Article 5 of this Agreement reasonably apparent shall be deemed to be an exception to such representation or representations notwithstanding the omission of a reference or cross reference thereto) delivered by Parent to the Company prior to the execution of this Agreement (the "Parent Disclosure Schedule"), Parent represents and warrants to the Company and the Sellers as of the date hereof and as of the Closing Date that:

Section 5.01. Corporate Existence and Power. Parent is duly incorporated, validly existing and in good standing under the laws of Delaware and has all powers and all governmental licenses, authorizations, permits, consents and approvals required to carry on its business as now conducted, except for those licenses, authorizations, permits, consents and approvals the absence of which would not have, individually or in the aggregate, a Parent Material Adverse Effect. Parent has heretofore delivered to the Company true and complete copies of its certificate of incorporation and bylaws as currently in effect (the "Organizational Documents"). Parent is not, and has not been, in violation of any of the provisions of its Organizational Documents. The transaction contemplated by this Agreement, when and if consummated, will constitute an "Initial Business Combination" within the meaning of Parent's Organizational Documents and the Parent's Organizational Documents do not obligate Parent to liquidate or dissolve prior to February 14, 2010 as a result of Parent's execution and delivery of this Agreement.

Section 5.02. Authorization. (a) The execution, delivery and performance by Parent of this Agreement and the other Transaction Documents to which it is a party and the consummation by Parent of the transactions contemplated hereby and thereby are within the corporate powers of Parent and, except for the Parent Stockholder Approval, have been duly authorized by all necessary corporate action. This Agreement and the other Transaction Documents to which Parent is a party constitutes, and will constitute when executed by Parent, assuming the due authorization, execution and delivery hereof and thereof by the other parties hereto and thereto, valid and binding agreements of Parent.

(b) (i) The affirmative vote of a majority of the IPO Shares voted at a duly held stockholders meeting (the "Parent Stockholder Meeting") to approve the Initial Business Combination contemplated by this Agreement and (ii) the affirmative vote of the holders of a

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majority of the outstanding shares of Parent Stock (x) to amend the Parent Certificate of Incorporation in the form attached hereto as Exhibit B, (y) to adopt the Parent Plan, and (z) to 32 approve the issuance of Parent Stock contemplated by this Agreement are the only votes of any of Parent's capital stock necessary in connection with the consummation of the Closing; provided that holders of less than 30% of the IPO Shares vote against the consummation of the transactions contemplated by this Agreement and exercise their rights to convert their IPO Shares into cash from the Trust Account in accordance with the provisions of paragraph C of Article Sixth of Parent Certificate of Incorporation (the "Parent Stockholder Approval"). This Agreement constitutes a valid and binding agreement of Parent.

(c) At a meeting duly called and held, Parent's Board of Directors (including any required committee or subgroup of the Parent's Board of Directors) has (i) determined that this Agreement and the transactions contemplated hereby are fair to and in the best interests of Parent's stockholders, (ii) approved and adopted this Agreement and the transactions contemplated hereby, (iii) determined that the fair market value of the Company is equal to at least 80% of the balance in the Trust Account excluding Deferred Underwriting Compensation (as defined in the Parent Certificate of Incorporation) and (iv) resolved to recommend to stockholders adoption of this Agreement, the approval of the issuance of shares of Parent Stock hereunder, the transactions contemplated hereby, and the amendment to the Parent Certificate of Incorporation in the form attached hereto as Exhibit B (such recommendation, the "Parent Board Recommendation").

Section 5.03. Governmental Authorization. The execution, delivery and performance by Parent of this Agreement and the other Transaction Documents to which it is a party and the consummation by Parent of the transactions contemplated hereby and thereby require no action by or in respect of, or filing with, any Governmental Authority, other than (i) compliance with any applicable requirements of the HSR Act, (ii) FCC Consent with respect to the FCC Consent Application, (iii) compliance with any applicable requirements of the 1933 Act, the 1934 Act and any other U.S. state or federal securities laws, (iv) any notices required to be given to U.S. security agencies under network security understandings, (v) the consents and approvals set forth on Schedule 5.03 and (vi) such actions or filings, if not made, would not, individually or in the aggregate, reasonably be expected to have a Parent Material Effect.

Section 5.04. Non-contravention. The execution, delivery and performance by Parent of this Agreement and the other Transaction Documents to which it is a party and the consummation by Parent of the transactions contemplated hereby and thereby do not and will not (i) contravene, conflict with, or result in any violation or breach of any provision of the certificate of incorporation or bylaws of Parent, (ii) assuming compliance with the matters referred to in Section 5.03, contravene, conflict with or result in a violation or breach of any provision of any Law, (iii) assuming compliance with the matters referred to in Section 5.03, require any consent or other action by any Person under, constitute a default, or an event that, with or without notice or lapse of time or both, could become a default, under, or cause or permit the termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit to which Parent is entitled under any provision of any agreement or other instrument binding upon Parent or any license, franchise, permit, certificate, approval or other similar authorization affecting, or relating in any way to, the assets or business of the Parent or (iv) result in the creation or imposition of any Lien on any asset of the Parent, except for such

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contraventions, conflicts and violations referred to in clause (ii) and for such failures to obtain any such consent or other action, defaults, terminations, cancellations, accelerations, changes, losses or Liens referred to in clauses (iii) and (iv) that would not be reasonably expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

Section 5.05. Capitalization. (a) The authorized capital stock of Parent consists of (i) 200,000,000 shares of Parent Stock and (ii) 1,000,000 shares of preferred stock, par value $0.0001 per share. As of the date of this Agreement, there were outstanding 48,500,000 shares of Parent Stock, no shares of preferred stock, 56,500,000 warrants entitling the holder to purchase one share of Parent Stock per warrant (each, a "Parent Warrant"), and no employee stock options to purchase Parent Stock. All outstanding shares of capital stock of Parent have been duly authorized, validly issued, are fully paid and nonassessable, and were not issued in violation of any preemptive or other similar right.

(b) Except as set forth in this Section 5.05, there are no outstanding (i) shares of capital stock or voting securities of Parent, (ii) securities of Parent convertible into or exchangeable for shares of capital stock or voting securities of Parent or (iii) options or other rights to acquire from Parent or other obligation of Parent to issue, any capital stock, voting securities or securities convertible into or exchangeable for capital stock or voting securities of Parent. There are no outstanding obligations of Parent to repurchase, redeem or otherwise acquire any of the securities referred to in clause (i), (ii) or (iii) above, other than obligations that may arise if Parent is required to pay cash from the Trust Account to stockholders who elect to have their shares so converted in accordance with the provisions of paragraph C of Article Sixth of Parent Certificate of Incorporation.

(c) Parent Stock is quoted on the American Stock Exchange. There is no action or proceeding pending or, to Parent's knowledge, threatened against Parent by the American Stock Exchange with respect to any intention by such entity to prohibit or terminate the quotation of such securities thereon.

(d) The shares of Parent Stock to be issued as part of the Aggregate Consideration have been duly authorized and, when issued and delivered in accordance with the terms of this Agreement, will have been validly issued and will be fully paid and nonassessable and the issuance thereof is not subject to any preemptive or other similar right.

(e) All of the outstanding Parent Stock and Parent Warrants have been issued in compliance in all material respects with all requirements of Laws applicable to the Parent, Parent Stock and Parent Warrants.

(f) Except as contemplated by the Transaction Documents, there are no registration rights, and there is no voting trust, proxy, rights plan, anti-takeover plan or other understandings to which the Parent is a party or by which the Parent is bound with respect to the Parent Stock and Parent Warrants.

(g) Except as disclosed in Parent SEC Reports filed prior to the date of this Agreement or as expressly contemplated by this Agreement, as a result of the consummation of this transaction, no shares of capital stock, warrants, options or other securities of Parent are

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issuable and no rights in connection with any shares, warrants, rights, options or other securities or Parent accelerate or otherwise become triggered (whether as to vesting, exercisability, convertibility or otherwise).

Section 5.06. No Subsidiaries. Parent has no Subsidiaries.

Section 5.07. SEC Filings and the Sarbanes-Oxley Act. (a) As of its filing date, each Parent SEC Document complied, and each such Parent SEC Document filed subsequent to the date hereof will comply, as to form in all material respects with the applicable requirements of the 1933 Act and 1934 Act, as the case may be.

(b) As of its filing date, each Parent SEC Document filed pursuant to the 1934 Act did not, and each such Parent SEC Document filed subsequent to the date hereof will not, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(c) Each Parent SEC Document that is a registration statement, as amended or supplemented, if applicable, filed pursuant to the 1933 Act, as of the date such registration statement or amendment became effective, did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading.

(d) Parent has established and maintains disclosure controls and procedures (as defined in Rule 13a-15 under the 1934 Act). Such disclosure controls and procedures are designed to ensure that material information relating to Parent is made known to Parent's principal executive officer and its principal financial officer, particularly during the periods in which the periodic reports required under the 1934 Act are being prepared. Such disclosure controls and procedures are effective in timely alerting Parent's principal executive officer and principal financial officer to material information required to be included in Parent's periodic reports required under the 1934 Act.

(e) Parent has established and maintained a system of internal controls. Such internal controls are sufficient to provide reasonable assurance regarding the reliability of Parent's financial reporting and the preparation of Parent financial statements for external purposes in accordance with GAAP.

(f) There are no outstanding loans or other extensions of credit made by Parent to any executive officer (as defined in Rule 3b-7 under the 1934 Act) or director of Parent. Parent has not taken any action prohibited by Section 402 of the Sarbanes-Oxley Act.

Section 5.08. Financial Statements. The audited consolidated statements and unaudited condensed interim financial statements of Parent included in the Parent SEC Filings fairly present, in conformity with GAAP applied on a consistent basis (except as may be indicated in the notes thereto), the financial position of Parent as of the dates thereof and their results of operations and cash flows for the periods then ended (subject to normal year-end adjustments in the case of any unaudited interim financial statements).

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Section 5.09. Disclosure Documents. The proxy of Parent to be filed with the SEC in connection with the transactions contemplated hereby (the "Parent Proxy Statement") and any amendments or supplements thereto will, when filed, comply as to form in all material respects with the applicable requirements of the 1934 Act. At the time the Parent Proxy Statement or any amendment or supplement thereto is first mailed to stockholders of Parent, and at the time such stockholders vote on adoption of this Agreement, the Parent Proxy Statement, as supplemented or amended, if applicable, will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. The representations and warranties contained in this Section 5.09 will not apply to statements or omissions in the Parent Proxy Statement or any amendment or supplement thereto based upon information furnished to Parent by the Sellers or the Company specifically for use therein.

Section 5.10. Absence of Certain Changes. Since Parent Balance Sheet Date, the business of Parent has been conducted in the ordinary course consistent with past practice, and there has not been:

(a) any event, occurrence, development or state of circumstances or facts that has had or would reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect;

(b) any declaration, setting aside or payment of any dividend or other distribution with respect to any shares of capital stock of Parent, or any repurchase, redemption or other acquisition by Parent of any outstanding shares of capital stock or other securities of, or other ownership interests in, Parent; and

(c) any change in any method of accounting or accounting practice by Parent, except for any such change required by reason of a concurrent change in GAAP or Regulation S-X under the 1934 Act.

Section 5.11. No Undisclosed Material Liabilities. There are no liabilities or obligations of Parent of any kind whatsoever, whether accrued, contingent, absolute, determined, determinable or otherwise, and there is no existing condition, situation or set of circumstances that would reasonably be expected to result in such a liability, other than:

(a) liabilities or obligations disclosed and provided for in the Parent Balance Sheet or in the notes thereto or in the Parent SEC Documents filed prior to the date hereof; and

(b) other undisclosed liabilities which are, individually or in the aggregate not material to Parent.

Section 5.12. Compliance with Laws and Court Orders. Parent has not violated, and to the knowledge of Parent is not under investigation with respect to and has not been threatened to be charged with or given notice of any violation of, any Law, except for violations that have not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

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Section 5.13. Litigation. There is no material action, suit, investigation or proceeding pending against, or to the knowledge of Parent, threatened against or affecting, Parent or any of its properties before any arbitrator or any Governmental Authority.

Section 5.14. Finders' Fees. There is no investment banker, broker, finder or other intermediary that has been retained by or is authorized to act on behalf of Parent who might be entitled to any fee or commission from Parent, Sellers or any of their respective Affiliates upon consummation of the transactions contemplated by this Agreement.

Section 5.15. Trust Account. (a) As of the date hereof and at the Closing Date (without giving effect to the transactions contemplated hereby), Parent has and will have no less than $400,000,000 invested in United States Government securities or in money market funds meeting certain conditions under Rule 2a-7 promulgated under the Investment Company Act of 1940 in the Trust Account, less such amounts, if any, as Parent is required to pay to stockholders who elect to have their shares converted to cash in accordance with the provisions of paragraph C of Article Sixth of Parent Certificate of Incorporation.

(b) Effective as of the Closing Date, the obligations of Parent to dissolve or liquidate within the specified time period contained in the Parent Certificate of Incorporation will terminate, and effective as of the Closing Date Parent shall have no obligation whatsoever to dissolve and liquidate the assets of Parent by reason of the consummation of the Closing, and following the Closing Date no Public Stockholder shall be entitled to receive any amount from the Trust Account except to the extent such Public Stockholder voted against the consummation of the transactions contemplated hereby and exercised its conversion rights in accordance with the terms of paragraph C of Article Sixth of Parent Certificate of Incorporation.

Section 5.16. Transactions with Affiliates. There are no contracts, agreements or transactions between Parent and any other Person of a type that would be required to be disclosed under Item 404 of Regulation S-K under the 1933 Act and the 1934 Act and no loans by Parent to any of its employees, officers or directors, or any of its Affiliates.

Section 5.17. Taxes. Except as set forth in Schedule 5.17:

(a) Parent has timely filed all material Tax Returns for taxable years or periods ending on or before the Closing Date, and all Tax Returns when filed were true, correct and complete in all material respects;

(b) Parent has timely paid (or will pay) all material Taxes due for such periods and has made adequate provision in accordance with GAAP for any Taxes not yet due and payable;

(c) None of the income and franchise Tax Returns of Parent have been examined and closed or are Tax Returns with respect to which the applicable period for assessment under Law, after giving effect to extensions or waivers, has expired;

(d) No Liens for Taxes other than Permitted Liens have been filed, and no material claims or adjustments are being asserted or threatened by a Governmental Authority in writing with respect to any Taxes of Parent;

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(e) Parent is not subject to any material outstanding Tax audit, inquiry or assessment (and no written notice of any such event has been received);

(f) Parent has materially complied with all Laws relating to the payment and withholding of Taxes;

(g) There has not been any material Tax election or any change in any material Tax election, change in annual tax accounting period, adoption of, or change in, any method of tax accounting, amendment of any Tax Return, filing of a claim for any material Tax refund, entering into of any material closing agreement, settlement of any material Tax claim, audit or assessment, or surrender of any right to claim a material Tax refund, offset or other reduction in Tax liability with respect to the Parent since the Balance Sheet Date;

(h) There are no outstanding waivers or comparable consents regarding the application of the statute of limitations with respect to any Taxes or Tax Returns of Parent, nor any agreement to any extension of time with respect to a Tax assessment or deficiency, and no such waivers, consents or agreements have been requested;

(i) Parent is not a party to any agreement or arrangement with any Tax Authority or any other Person with regard to Taxes, including any contract providing for the allocation or sharing of Taxes;

(j) Parent has not entered into, engaged in or participated in any "reportable transaction" as described in Section 1.6011 4(b) of the Treasury Regulations; and

(k) No material claim has been received from a Tax Authority in a jurisdiction where Parent does not file Tax Returns with respect to a particular type of Tax that Parent may be subject to, or liable for, that particular type of Tax in that jurisdiction. Schedule 5.17(k) contains a list of all jurisdictions (whether foreign or domestic) to which any Tax is properly payable or any Tax Return is filed by or on behalf of Parent.

Section 5.18. Contracts.

(a) There are no contracts, agreements or obligations of any kind, whether written or oral, to which Parent is a party or by or to which any of the properties or assets of Parent may be bound, subject or affected without penalty or cost, which either (i) creates or imposes a liability greater than $50,000 or (ii) may not be cancelled without liability by Parent on thirty (30) days' or less prior notice (the "Parent Contracts"). All Parent Contracts are listed in Schedule 5.18(a) other than the Transaction Documents and those that are exhibits to the Parent SEC Documents filed prior to the date of this Agreement. True, correct and complete copies of all Parent Contracts have been heretofore made available to the Company.

(b) Neither Parent, nor any other party thereto is in breach in any respect of or in default under, and, to the knowledge of Parent, no event has occurred which with notice or lapse of time or both would become a breach of or default under, any Parent Contract, in each case, except as would not reasonably be expected to have a Parent Material Adverse Effect.

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Section 5.19. Employees. There are no employees of Parent. Schedule 5.19 sets forth a true and complete list of the names, titles, annual salaries and other compensation of all officers of Parent.

Section 5.20. Employee Matters.

(a) There are no current activities to organize any employees of Parent into a collective bargaining unit.

(b) Parent does not and is not required to, and has not and has never been required to, maintain, sponsor, contribute to, or administer any pension, retirement, savings, money purchase, profit sharing, deferred compensation, medical, vision, dental, hospitalization, prescription drug and other health plan, cafeteria, flexible benefits, short-term and long-term disability, accident and life insurance plan, bonus, stock option, stock purchase, stock appreciation, phantom stock, incentive and special compensation plan or any other employee or fringe benefit plan, program or contract and does not have any liability of any kind with respect to any of the foregoing (under ERISA or otherwise). Parent does not have any contract, plan or commitment, whether or not legally binding, to create any of the foregoing other than as contemplated by this Agreement. Neither Parent nor any of its ERISA Affiliates has, during any time in the six-year period preceding the Closing Date, contributed to, sponsored, maintained or administered any "employee pension benefit plan" within the meaning of Section 3(2) of ERISA that is or was subject to Title IV of ERISA or Section 412 of the Code.

(c) The execution and delivery of this Agreement and the other Transaction Documents and the consummation of the transaction will not (i) result in any payment (including severance, unemployment compensation, golden parachute, bonus or otherwise) becoming due to any stockholder, director or employee of Parent; or (ii) result in the acceleration of the time of payment or vesting of any such benefits.

Section 5.21. Qualification. Parent is legally, financially and otherwise qualified under the Communications Laws to own the Company and its Subsidiaries and to perform its obligations hereunder. To Parent’s knowledge, there are no facts or circumstances relating to Parent that would, under the Communications Laws, disqualify Parent as the transferee of the FCC Licenses or the owner of the Company and its Subsidiaries. Except as set forth in Schedule 5.21, no waiver of or exemption from any provision of the Communications Laws is necessary for FCC Consent to be obtained. To Parent’s knowledge, there are no facts or circumstances relating to Parent that might reasonably be expected to result in the FCC’s refusal to grant FCC Consent. Parent is legally, financially and otherwise qualified under all applicable Laws to own all Subsidiaries of the Company that are party to contracts with a Governmental Authority. To Parent’s knowledge, there are no facts or circumstances relating to Parent that would, under applicable Law, disqualify Parent from owning any Subsidiary of the Company that is party to any contract with a Governmental Authority, that operates under U.S. government security clearances or that is registered under ITAR.

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ARTICLE 6

COVENANTS OF THE COMPANY AND SELLERS

Section 6.01. Conduct of the Company and Each Blocker Entity. From the date hereof until the Closing Date, (x) the Company shall and shall cause each of its Subsidiaries to, conduct its business in the ordinary course consistent with past practice and use its reasonable best efforts to (i) preserve intact its present business organization; (ii) maintain in effect all of its Permits, including the FCC Licenses and the Foreign Permits; (iii) keep available the services of its directors, officers and key employees; (iv) maintain satisfactory relationships with its customers, lenders, suppliers and others having material business relationships with it; (v) manage its working capital (including the timing of collection of accounts receivable and of the payment of accounts payable) in the ordinary course of business consistent with past practice; (vi) promptly execute any necessary applications for renewal of FCC Licenses and Foreign Permits necessary for the operation of the business of the Company and its Subsidiaries as presently conducted and use reasonable efforts to cooperate with Parent in any other respect as Parent may reasonably request in order to enhance, protect, preserve or maintain the FCC Licenses, Foreign Permits or the business of the Company and its Subsidiaries; (vii) timely file with the FCC and any applicable non-United States Governmental Authority all required reports, and pay any required annual or other regulatory fees, for the maintenance of the FCC Licenses and the Foreign Permits and the ongoing operation of the Company's and its Subsidiaries' business as presently conducted; (viii) deliver to Parent, within ten (10) Business Days after filing, copies of any reports, applications or responses to the FCC or any non-United States Governmental Authority related to the satellite assets owned by the Company and its Subsidiaries which are filed during the period between the date hereof and the Closing Date; (ix) operate and control the satellite assets owned by the Company and its Subsidiaries in all material respects in the ordinary course of business and in a manner consistent with past practices and otherwise in compliance in all material respects with all applicable Laws, including the Communications Laws, the FCC Licenses, the Foreign Permits and all other applicable Permits; and (x) continue to make capital expenditures materially consistent with the 2008 Capex/R&D Budget attached as Schedule 6.01(i) (the "Capex/R&D Budget") and (y) each Blocker Entity will continue to conduct its business in the ordinary course consistent with past practice and will not engage in any activity other than the ownership of the Interests held by such Blocker Entity. Without limiting the generality of the foregoing, except as expressly contemplated by this Agreement or in Schedule 6.01(ii), or with the prior written consent of Parent (which shall not be unreasonably withheld or delayed), the Company shall not and shall not permit any of its Subsidiaries to, and, with respect to each Blocker Entity in which a Seller owns any Blocker Shares, such Seller shall cause such Blocker Entity not to:

(a) amend its articles of incorporation, bylaws or other similar organizational documents (whether by merger, consolidation or otherwise);

(b) split, combine or reclassify any shares of capital stock of the Company or any Subsidiary of the Company or of such Blocker Entity or declare, set aside or pay any dividend or other distribution (whether in cash, stock or property or any combination thereof) in respect of the capital stock of the Company or any Subsidiary of the Company or of such Blocker Entity, or redeem, repurchase or otherwise acquire or offer to redeem, repurchase, or otherwise acquire any

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Company Securities or any Subsidiary Securities or securities of such Blocker Entity, provided that the Company may declare and pay distributions on the Interests of up to an aggregate of $37,900,000 (each, a "Special Tax Distribution," and collectively, the "Special Tax Distributions") (and each Blocker Entity may distribute such Blocker Entity's allocable portion of any Special Tax Distribution to the Sellers that own such Blocker Entity), provided further that no Special Tax Distribution shall be paid unless any required amendment of Exhibit A hereto has been executed by the Sellers who are affected by such amendment (without consent of Parent) prior to the declaration or payment of such Special Tax Distribution, provided further that each Blocker Entity may distribute any Cash Available for Distribution at any time prior to the Closing;

(c) (i) issue, deliver or sell, or authorize the issuance, delivery or sale of, any shares of any Company Securities or Subsidiary Securities or securities of such Blocker Entity, other than the issuance of any Subsidiary Securities to the Company or any other Subsidiary of the Company or (ii) amend any term of any Company Security or any Subsidiary Security or any security of such Blocker Entity (in each case, whether by merger, consolidation or otherwise);

(d) acquire (by merger, consolidation, acquisition of stock or assets or otherwise), directly or indirectly, any material assets, securities, material properties or businesses, other than in the ordinary course of business of the Company and its Subsidiaries or of such Blocker Entity, as applicable, in each case in a manner that is consistent with past practice;

(e) sell, lease or otherwise transfer, or create or incur any Lien on, any material assets, securities, material properties or businesses of the Company or any of its Subsidiaries or of such Blocker Entity, as applicable, in each case other than in the ordinary course of business consistent with past practice;

(f) make any loans, advances or capital contributions to, or investments in, any other Person, other than in the ordinary course of business consistent with past practice;

(g) with respect to the Company and its Subsidiaries, create, incur, assume, suffer to exist or otherwise be liable with respect to any indebtedness for borrowed money or guarantees thereof having an aggregate principal amount (together with all other indebtedness for borrowed money or guarantees thereof of the Company and its Subsidiaries) outstanding at any time greater than the sum of the Senior Loan Facilities and the Convertible Note; and, with respect to such Blocker Entity, create, incur, assume, suffer to exist or otherwise be liable with respect to any indebtedness for borrowed money or guarantees thereof;

(h) enter into any hedging arrangements;

(i) enter into any agreement or arrangement that limits or otherwise restricts in any material respect the Company, any Subsidiary of the Company, such Blocker Entity or any of their respective Affiliates or any successor thereto or that would reasonably be expected to, after the Closing Date, limit or restrict in any material respect the Company, any Subsidiary of the Company, such Blocker Entity, Parent or any of their respective Affiliates, from engaging or competing in any line of business, in any location or with any Person or, except in the ordinary

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course of business consistent with past practice, otherwise waive, release or assign any material rights, claims or benefits of the Company, any of its Subsidiaries or such Blocker Entity;

(j) except as required by any pre-existing contractual obligation expressly disclosed in the Company Disclosure Schedules, Law or any Employee Plan, (i) grant or increase any severance or termination pay to (or amend any existing arrangement with) any director or officer of the Company, any Subsidiary of the Company or such Blocker Entity, (ii) increase benefits payable under any existing severance or termination pay policies or employment agreements in respect of any director or officer of the Company, any Subsidiary of the Company or such Blocker Entity, (iii) enter into any employment, deferred compensation or other similar agreement (or amend any such existing agreement) with any director or officer of the Company, any Subsidiary of the Company or such Blocker Entity, (iv) establish, adopt or amend any collective bargaining, bonus, profit-sharing, thrift, pension, retirement, deferred compensation, compensation, stock option, restricted stock or other benefit plan or arrangement covering any director or officer of the Company, any Subsidiary of the Company or such Blocker Entity or (v) increase material compensation, bonus or other benefits payable to any director or officer of the Company, any Subsidiary of the Company or such Blocker Entity, in each case other than in the ordinary course of business consistent with past practice;

(k) change the Company's or such Blocker Entity's methods of accounting, except as required by concurrent changes in Law or GAAP;

(l) settle, or offer or propose to settle, (i) any material litigation, investigation, arbitration, proceeding or other claim involving or against the Company, any Subsidiary of the Company or such Blocker Entity before any arbitrator or Governmental Authority, (ii) any equityholder litigation against the Company, such Blocker Entity or any of their current or former officers or directors before any arbitrator or Governmental Authority or (iii) any litigation, arbitration or proceeding that relates to the transactions contemplated hereby before any arbitrator or Governmental Authority;

(m) make or change any material Tax election, change any annual Tax accounting period, adopt or change any method of Tax accounting, materially amend any Tax Returns or file claims for material Tax refunds, enter any material closing agreement, settle any material Tax claim, audit or assessment, or surrender any right to claim a material Tax refund, offset or other reduction in Tax liability;

(n) apply to the FCC or any non-U.S. Governmental Authority for any license, construction permit, authorization or any modification thereto that would materially restrict the present operations of any satellite assets owned by the Company or its Subsidiaries; or

(o) agree, resolve or commit to do any of the foregoing.

Section 6.02. Access to Information; Confidentiality. (a) From the date hereof until the earlier of the Closing Date or the termination of this Agreement in accordance with Article 11 and subject to applicable Law, (x) each Seller will (i) give, and will cause each Blocker Entity in which it owns Blocker Shares, the Company and each Subsidiary of the Company to give, Parent, its counsel, financial advisors, auditors and other authorized

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representatives reasonable access during normal business hours, upon prior notice, to the offices, properties, books and records of each Blocker Entity in which such Seller owns Blocker Shares, the Company and the Company's Subsidiaries, (ii) furnish, and will cause each Subsidiary of the Company to furnish, to Parent, its counsel, financial advisors, auditors and other authorized representatives such financial and operating data and other information relating to each Blocker Entity in which such Seller owns Blocker Shares, the Company or any Subsidiary of the Company as such Persons may reasonably request and (iii) instruct the employees, counsel and financial advisors of the Company or any Subsidiary of the Company to cooperate with Parent in its investigation of each Blocker Entity in which such Seller owns Blocker Shares, the Company or any Subsidiary of the Company, and (y) Parent will (i) give the Company, its counsel, financial advisors, auditors and other authorized representatives reasonable access during normal business hours, upon prior notice, to the offices, properties, books and records of Parent, (ii) furnish to the Company, its counsel, financial advisors, auditors and other authorized representatives such financial and operating data and other information relating to Parent as such Persons may reasonably request, and (iii) instruct the employees, counsel and financial advisors of Parent to cooperate with the Company in its investigation of Parent. Any investigation pursuant to this Section shall be conducted in such manner as not to interfere unreasonably with the conduct of the business of the Company and Parent, as applicable. No investigation by any party hereto or other information received by any party hereto shall operate as a waiver or otherwise affect any representation, warranty or agreement given or made by any other party hereunder. The confidentiality agreement between Parent and the Company dated as of May 1, 2008 (the "Confidentiality Agreement") shall survive the termination of this Agreement in accordance with its terms. On or prior to the Closing Date, each Seller of any Blocker Entity shall deliver to Parent the minute books and all other books and records relating to such Blocker Entity as reasonably requested by Parent.

(b) After the Closing Date, each Seller and its Affiliates will hold, and will use its reasonable best efforts to cause their respective officers, directors, employees, accountants, counsel, consultants, advisors and agents to hold, in confidence, unless compelled to disclose by judicial or administrative process or by other requirements of Law, all confidential documents and information concerning the Blocker Entities, the Company and the Company's Subsidiaries, except to the extent that such information can be shown to have been (i) previously known on a non-confidential basis by such Seller, (ii) in the public domain through no fault of such Seller or its Affiliates or (iii) later lawfully acquired by such Seller from sources other than those related to its prior ownership of Equity Interests. The obligation of each Seller and its Affiliates to hold any such information in confidence shall be satisfied if they exercise the same care with respect to such information as they would take to preserve the confidentiality of their own similar information.

Section 6.03. Notices of Certain Events. From the date hereof until the Closing Date each party shall promptly notify the other parties in writing of any of the following with respect to which such party obtains knowledge:

(a) any written notice or other written communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by the Transaction Documents;

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(b) any notice or other communication from any Governmental Authority in connection with the transactions contemplated by the Transaction Documents;

(c) any event relating to the Company, Parent any of their respective Subsidiaries or any of their respective Affiliates, officers or directors discovered by the Company or Parent which should be set forth in a supplement to the Parent Proxy Statement; and

(d) any material actions, suits, claims, investigations or proceedings commenced or, to its knowledge threatened against, relating to or involving or otherwise affecting the Company or Parent or any Subsidiary of the Company before any arbitrator or Governmental Authority.

No information received by any party pursuant to this Section 6.03 or otherwise shall operate as a waiver or otherwise affect any representation, warranty or agreement given or made by any other party in this Agreement, and no such information shall be deemed to change, supplement or amend the Schedules hereto.

Section 6.04. No Solicitation. (a) Each of the Company and the Sellers will not, and will cause their respective Affiliates, employees, agents and representatives not to directly or indirectly, solicit or enter into discussions or transactions with, or encourage, or provide any information to, any Person (other than Parent) concerning any merger, sale (directly or indirectly) of their respective Interests or assets of the Company, recapitalization or similar transaction. Each of the Company and the Sellers will, and will cause their respective Affiliates, employees, agents and representatives to, terminate any existing discussions with any Person (other than Parent) concerning any such transaction.

(b) Parent will not, and will cause its respective Affiliates, employees, agents and representatives not to, directly or indirectly, solicit or enter into discussions or transactions with, or encourage, or provide any information to, any Person (other than the Company) concerning any Initial Business Combination or similar transaction. The Parent will, and will cause its respective Affiliates, employees, agents and representatives to, terminate any existing discussions with any Person (other than the Company and the Sellers) concerning any such transaction.

Section 6.05. Contribution Of Carrier Holdings And Carrier Services. Sellers shall cause the contribution of 100% of the issued and outstanding equity interests in Carrier Holdings and Carrier Services to the Company to be effected at the Closing, which contribution shall not result in any liability to the Company, any of Subsidiaries or Parent or in the breach of any representations or warranties set forth in Article 3 (the “Contribution”); provided that, to the extent necessary, the Company has obtained any required consents or approvals from Governmental Authorities as set forth in Section 3.03.

Section 6.06. Limited Powers Of Attorney; Certificates for Equity Interests. Each Seller shall, no later than 10 days following the date hereof, (x) execute and deliver to the Sellers’ Committee a limited power of attorney substantially in the form attached hereto as Exhibit C, which limited power of attorney shall not be amended and shall remain in full force and effect until immediately after the Closing Date and (y) deliver the certificates for the Equity Interests to the Sellers’ Committee to be held by the Sellers’ Committee for the sole purpose of

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delivering such certificates at Closing pursuant to the limited power of attorney delivered by such Seller. The Sellers' Committee shall promptly inform Parent of any failure of any Seller to execute and deliver such limited power of attorney and to deliver such certificates for Equity Interests within such 10-day period.

Section 6.07. Costs And Expenses. The Company shall, prior to or on the Closing Date, discharge in full all costs and expenses incurred by it or any of its Subsidiaries in connection with or relating to this Agreement, the other Transactions Documents and the transactions contemplated hereby and thereby, including fees and expenses of investment bankers, counsel, accountants and other advisors and consultants.

Section 6.08. Convertible Note. If the Closing occurs after the first anniversary hereof, the Greenhill Noteholder, as the holder of the Convertible Note, shall, upon exercise of its conversion rights under the Convertible Note be considered a Seller for all purposes hereunder and have the right at Closing to receive the number of shares of Parent Stock set forth in Exhibit A hereto. If the Closing occurs on or prior to the first anniversary hereof, then Parent shall enter into an agreement with the Greenhill Noteholder, as the holder of the Convertible Note, that shall entitle such holder to exchange the Units into which such Convertible Note is convertible for a number of shares of Parent Stock upon the first anniversary of the issuance of such Convertible Note at the ratio of 27.2866 of shares of Parent Stock per Unit. Parent agrees that all of the provisions of Section 8 of the Convertible Note applicable to the Company shall apply to Parent from the date hereof until the date of such conversion.

ARTICLE 7

COVENANTS OF PARENT

Parent agrees that:

Section 7.01. Conduct of Parent. From the date hereof until the Closing Date except as expressly contemplated hereunder, Parent shall conduct its business in the ordinary course consistent with past practice and shall use its reasonable best efforts to (i) preserve intact its present business organization, (ii) maintain in effect all of its foreign, federal, state and local licenses, permits, consents, franchises, approvals and authorizations, (iii) keep available the services of its directors, officers, and key employees, and (iv) maintain relationships with third parties and to keep available the services of their present officers and employees. Without limiting the generality of the foregoing, except as expressly contemplated by this Agreement, Parent shall not:

(a) amend its certificate of incorporation or bylaws (whether by merger, consolidation or otherwise);

(b) split, combine or reclassify any shares of capital stock or other equity securities of Parent or declare, set aside or pay any dividend or other distribution (whether in cash, stock or property or any combination thereof) in respect of the capital stock or other equity securities of Parent, or redeem, repurchase or otherwise acquire or offer to redeem, repurchase, or otherwise acquire any capital stock or other equity securities of Parent;

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(c) (i) issue, deliver or sell, or authorize the issuance, delivery or sale of, any capital stock or other equity securities of Parent, or (ii) amend any term of any capital stock or other equity securities of Parent (in each case, whether by merger, consolidation or otherwise);

(d) acquire (by merger, consolidation, acquisition of stock or assets or otherwise), directly or indirectly, any assets, securities, properties, or businesses, other than in the ordinary course of business of Parent in a manner that is consistent with past practice;

(e) sell, lease or otherwise transfer, or create or incur any Lien on, any assets, securities, properties, or businesses of Parent, other than in the ordinary course of business consistent with past practice;

(f) make any loans, advances or capital contributions to, or investments in, any other Person;

(g) create, incur, assume, suffer to exist or otherwise be liable with respect to any indebtedness for borrowed money or guarantees thereof;

(h) enter into any hedging arrangements;

(i) enter into any agreement or arrangement that limits or otherwise restricts in any respect Parent, or any successor thereto or that could, after the Closing Date, limit or restrict in any respect Parent, the Company or any of the Company's Subsidiaries, from engaging or competing in any line of business, in any location or with any Person or, except in the ordinary course of business consistent with past practice, otherwise waive, release or assign any material rights, claims or benefits of Parent;

(j) increase compensation, bonus or other benefits payable to any director or officer

of Parent;

(k) change Parent's methods of accounting, except as required by concurrent changes in Law or GAAP;

(l) settle, or offer or propose to settle, (i) any material litigation, investigation, arbitration, proceeding or other claim involving or against Parent, (ii) any equityholder litigation against Parent or (iii) any litigation, arbitration, proceeding or dispute that relates to the transactions contemplated hereby;

(m) make or change any material Tax election, change any annual Tax accounting period, adopt or change any method of Tax accounting, materially amend any Tax Returns or file claims for material Tax refunds, enter any material closing agreement, settle any material Tax claim, audit or assessment, or surrender any right to claim a material Tax refund, offset or other reduction in Tax liability; or

(n) agree, resolve or commit to do any of the foregoing.

Section 7.02. Stockholder Meeting. Parent shall cause the Parent Stockholder Meeting to be duly called and held as soon as reasonably practicable for the purpose

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of voting on the adoption of this Agreement, the approval of the issuance of shares of Parent Stock and the other transactions contemplated hereunder, the adoption of the Parent Plan, and the amendment to the Parent Certificate of Incorporation in the form attached hereto as Exhibit B. The Board of Directors of Parent shall recommend to Parent's stockholders their adoption of this Agreement, and their approval of such issuance of shares of Parent Stock and the other transactions contemplated hereunder, their approval of the Parent Plan and their approval of such amendment to the Parent Certificate of Incorporation and shall include such recommendation in the Parent Proxy Statement. In connection with the Parent Stockholder Meeting, Parent shall (i) promptly prepare and file with the SEC, use its reasonable best efforts to have cleared by the SEC and thereafter mail to its stockholders as promptly as practicable the Parent Proxy Statement and all other proxy materials for such meeting, (ii) use its reasonable best efforts to obtain the necessary approvals by its stockholders of this Agreement and the transactions contemplated hereby and (iii) otherwise comply with all legal requirements applicable to such meeting.

Section 7.03. Parent Plan. Prior to or on the Closing Date, Parent shall adopt the Parent Plan, pursuant to which options to purchase Parent common stock and/or awards of restricted shares of Parent common stock will be granted to individuals to be agreed upon by the Company and Parent (the "Parent Plan Grants"). The Parent Plan Grants will be issued by Parent on the Closing Date to such individuals, subject to such individual's continued employment or service with the Company on such date and having the vesting schedule, if any, and such other terms and conditions as may be agreed upon. Parent shall (i) reserve 8,000,000 shares of Parent common stock on the Closing Date for issuance under the Parent Plan, (ii) cause the shares of Parent common stock so reserved to be registered on Form S-8, or another registration statement of similar effect, promptly following the adoption of the Parent Plan and (iii) use reasonable best efforts to keep such registration statement effective for so long as any shares reserved under the Parent Plan may be granted thereunder or are subject to outstanding awards.

ARTICLE 8

COVENANTS OF PARENT, SELLERS AND THE COMPANY

The parties hereto agree that:

Section 8.01. Reasonable Best Efforts. (a) Subject to the terms and conditions of this Agreement, including Section 8.14 hereof, Sellers, the Company and Parent shall use their reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under Law to consummate the transactions contemplated by this Agreement, including (i) preparing and filing as promptly as practicable with any Governmental Authority or other third party all documentation to effect all necessary filings, notices, petitions, statements, registrations, submissions of information, applications and other documents and (ii) obtaining and maintaining all approvals, consents, registrations, permits, authorizations and other confirmations required to be obtained from any Governmental Authority or other third party that are necessary, proper or advisable to consummate the transactions contemplated by this Agreement.

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(b) In furtherance and not in limitation of the foregoing, each of Parent, the Blocker Entities, and the Company shall make an appropriate filing of a Notification and Report Form pursuant to the HSR Act with respect to the transactions contemplated hereby as promptly as practicable and in any event within ten Business Days of the date hereof and to supply as promptly as practicable any additional information and documentary material that may be requested pursuant to the HSR Act and to take all other actions necessary to cause the expiration or termination of the applicable waiting periods under the HSR Act as soon as practicable.

Section 8.02. Certain Filings. (a) The Company, Sellers, and Parent shall cooperate with one another (i) in connection with the preparation of the Parent Proxy Statement, (ii) in determining whether any action by or in respect of, or filing with, any Governmental Authority is required, or any actions, consents, approvals or waivers are required to be obtained from parties to any material contracts, in connection with the consummation of the transactions contemplated by this Agreement and (iii) in taking such actions or making any such filings, furnishing information required in connection therewith or with the Parent Proxy Statement and seeking timely to obtain any such actions, consents, approvals or waivers.

(b) Prior to the filing or mailing of the Parent Proxy Statement (or any amendment or supplement thereto) or making any required filing with the SEC or responding to any comments of the SEC with respect thereto, the Parent shall give the Company and its counsel a reasonable opportunity to review and comment on such documents or responses, and shall include in such documents or responses all additions, deletions or changes suggested by the Company and its counsel as are reasonably acceptable to Parent and its counsel.

(c) The Company shall use its reasonable best efforts to obtain the consent of its independent public accountants to the incorporation by reference into the Parent Proxy Statement of the financial statements described in Section 3.08.

Section 8.03. Public Announcements. Parent, Sellers and the Company shall consult with each other before issuing any press release, making any other public statement or scheduling any press conference or conference call with investors or analysts with respect to this Agreement or the transactions contemplated hereby and, except as may be required by Law or any listing agreement with or rule of any national securities exchange or association, shall not issue any such press release, make any such other public statement or schedule any such press conference or conference call before such consultation.

Section 8.04. Further Assurances. At and after the Closing Date, Sellers shall, upon the request of Parent, execute and deliver any deeds, bills of sale, assignments or assurances, and take and do any other actions and things reasonably necessary and appropriate to vest, perfect or confirm of record or otherwise in Parent any and all right, title and interest in and to the Equity Interests.

Section 8.05. Sales and Transfer Tax. All transfer, documentary, sales, use, stamp, registration and other such Taxes and fees (including any penalties and interest) incurred in connection with transactions contemplated by this Agreement (including any real property transfer Tax and any similar Tax) (“Transfer Taxes”) shall be borne, equally, by Sellers on the one hand, and Parent, on the other hand. The party or parties having responsibility therefor

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under applicable Law shall prepare and file all necessary Transfer Tax Returns and other documentation, with the costs of such preparation and filing to be borne by the Company.

Section 8.06. Directors and Officers of Parent. Parent and the Company shall take all necessary action so that (a) the persons listed on Schedule 8.06(a) are appointed or elected, as applicable, to the position of directors, officers and employees of Parent, as set forth therein, to serve in such positions effective immediately after the Closing and (b) the persons listed on Schedule 8.06(b) have resigned from their positions as directors, officers and employees of Parent.

Section 8.07. Registration Rights Agreement. Parent and each Seller which is a Stock Buyer shall execute and deliver to each other the Registration Rights Agreement on or prior to the Closing Date.

Section 8.08. Pledge Agreement. Parent and each Seller of the Blocker Shares shall execute and deliver the Pledge Agreement on or prior to the Closing Date.

Section 8.09. Certificate of Incorporation Protections; Directors' and Officers' Liability Insurance. (a) All rights to indemnification for acts or omissions occurring through the Closing Date now existing in favor of the current directors and officers of the Company and Parent as provided in such entity's organizational documents or in any indemnification agreements shall survive the Closing and shall continue in full force and effect in accordance with their terms.

(b) For a period of six years after the Closing Date, Parent shall cause to be maintained in effect the current policies of directors' and officers' liability insurance maintained by the Company and Parent (or policies of at least the same coverage and amounts containing terms and conditions which are no less advantageous) with respect to claims arising from facts and events that occurred prior to the Closing Date; provided, that in satisfying its obligation under this Section 8.09(b), Parent shall not be obligated to pay an aggregate premium in excess of 300% of the amount per annum the Company paid in its last full fiscal year, which amount the Company has disclosed to Parent prior to the date hereof.

(c) From the Closing Date through the sixth anniversary of the Closing Date, Parent shall and shall cause the Company and its Subsidiaries and any successor to Parent, the Company and its Subsidiaries to, and the Company shall, indemnify and hold harmless each former or present (as of the Closing Date) officer or director of Parent, the Company and its Subsidiaries, against all claims, losses, liabilities, damages, judgments, inquiries, fines and reasonable fees, costs and expenses, including reasonable attorneys' fees and disbursements (collectively, "Costs"), incurred in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of actions taken by them in their capacity as officers or directors at or prior to the Closing Date (including this Agreement and the transactions and actions contemplated hereby), whether asserted or claimed prior to, at or after the Closing Date, to the fullest extent permitted under applicable Law. Each such officer or director will be entitled to advancement of reasonable expenses incurred in the defense of any claim, action, suit, proceeding or investigation from Parent, the Company and its Subsidiaries.

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(d) If Parent or any of its successors or assigns (i) consolidates with or merges into any other Person and shall not be the continuing or surviving entity of such consolidation or merger, or (ii) transfers or conveys all or substantially all of its properties and assets to any Person, then, in each such case, to the extent necessary, proper provision shall be made so that the successors and assigns of Parent assume the obligations set forth in this Section 8.09.

(e) The provisions of this Section 8.09 are intended to be for the benefit of, and shall be enforceable by, each Person who will have been a director or officer of Parent or the Company or its Subsidiaries (as applicable) for all periods stated herein and may not be changed, in the case of any provision regarding the officers and directors of Parent, without the consent of the Parent Committee, and in the case of any provision regarding the officers and directors of the Company or any of its Subsidiaries, without the consent of the Sellers' Committee.

Section 8.10. Sellers' Committee. (a) From and after the Closing Date, Parent shall be entitled to deal exclusively with the Sellers' Committee in respect of all notices, disputes and other matters delegated to the Sellers' Committee pursuant to this Agreement. Parent shall be entitled to rely upon any statements or actions taken by the Sellers' Committee (whether or not such statements or actions were in fact authorized).

(b) The Sellers' Committee shall have the authority to take any and all actions required or permitted to be taken by the Sellers' Committee under this Agreement (and any and all actions incidental or related to such authority), including with respect to any matters in respect of Taxes as described in Section 8.05 (but not with respect to Blocker Taxes), and all other matters described herein. The Sellers' Committee shall notify Parent of any material action taken by the Sellers' Committee. Notwithstanding anything to the contrary herein, the Sellers' Committee is not authorized to, and shall not, accept on behalf of any Seller any portion of the Aggregate Consideration to which such Seller is entitled under this Agreement.

(c) In the event that a member of the Sellers' Committee dies or becomes unable to perform his or her responsibilities as a member of the Sellers' Committee or resigns from such position, the party who designated such individual to serve as a member of the Sellers' Committee shall have the right to appoint a replacement. If such party fails to designate an individual to serve on the Sellers' Committee in substitution thereof, the remaining members of the Sellers' Committee shall have the authority to take actions as permitted herein until a replacement is appointed.

(d) Any matter approved by the Sellers' Committee shall be set forth on a certificate delivered to Parent by the Sellers' Committee. Actions of the Sellers' Committee may be approved pursuant to a meeting or a written consent. Parent shall be entitled to rely on a certificate from both of the members of the Sellers' Committee with respect to any action taken by the Sellers' Committee.

Section 8.11. Parent Committee. Prior to the Closing, the Board of Directors of Parent shall appoint a committee (the "Parent Committee") consisting of one or more of its then members to act on behalf of Parent after the Closing to take all necessary actions and make all decisions pursuant to this Agreement and the other Transaction Documents. In the event of a vacancy in such committee, the Board of Directors of Parent shall appoint as a successor a

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Person who was a director of Parent prior to the Closing Date or some other Person who would qualify as an "independent" director of Parent and who has not had any relationship with the Sellers. The Parent Committee shall have the sole authority to take any and all actions on behalf of Parent under any Transaction Document (excluding the Registration Rights Agreement).

Section 8.12. Legends.

(a) Each Stock Buyer acknowledges and agrees that each certificate (if any) for the Purchased Shares shall bear a legend substantially as set forth in Section 8.12(b) and that any Purchased Shares in uncertificated book-entry form will be subject to equivalent restrictions.

(b) Certificates for the Purchased Shares shall bear legends in substantially the following form:

The securities represented by this Certificate have not been registered under the Securities Act of 1933, as amended (the "1933 Act"), and may not be transferred, sold or otherwise disposed of except while such a registration is in effect under such act and applicable state securities laws or pursuant to an exemption from registration under such act or such laws. Hedging transactions in the securities are also prohibited except in compliance with the 1933 Act.

When issued pursuant hereto, the certificates evidencing Purchased Shares shall also bear any legend required by any applicable state blue sky law. Any holder of the Purchased Shares may request Parent to remove any or all of the legends described in this section from the certificates evidencing such Purchased Shares by submitting to Parent such certificates, together with an opinion of counsel reasonably satisfactory to Parent to the effect that such legend or legends are no longer required under the 1933 Act or applicable state laws, as the case may be.

Section 8.13. Tax Matters. (a) Parent and Sellers shall reasonably cooperate, and shall cause their respective affiliates, officers, employees, agents, auditors and other representatives reasonably to cooperate, in preparing and filing all Tax Returns, including maintaining and making available to each other all records necessary in connection with Taxes and in resolving all disputes and audits with respect to all taxable periods relating to Taxes.

(b) The Company shall have in effect an election under Section 754 of the Code for the taxable year in which the Closing will occur.

(c) Blocker Tax Procedures. As soon as reasonably practicable, the Company will provide to the Blocker Entities schedules K-1 for 2008, estimated schedules K-1 for post-2008 Pre-Closing Tax Periods and other relevant information to be used in preparing the Tax Returns of Syncom Blocker and Baralonco Blocker for the 2008-10 Pre-Closing Tax Periods. With respect to all Pre-Closing Tax periods other than Parent Ownership Tax Periods, each Blocker Entity shall file Tax Returns and make estimated and final Tax payments in accordance with applicable Law. Any Tax credits or refunds received for a Pre-Closing Tax period other than a Parent Ownership Tax Period shall be promptly paid over to the Blocker's Seller. The following

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procedures shall be followed with respect to the Tax liability of Syncom Blocker and Baralonco Blocker for the Parent Ownership Tax Periods:

(i) With respect to each Parent Ownership Tax Period, the Syncom Blocker Seller and the Baralonco Blocker Seller shall pay to Parent at least two business days before the applicable due date any amount of estimated Tax (including Tax amounts required to be withheld by the Company and not theretofore withheld) required to be paid by the Syncom Blocker and by Baralonco Blocker, respectively, for such Parent Ownership Tax Period.

(ii) As soon as is reasonably practicable, and in any event no later than 30 days prior to the earlier of (x) the Blocker Settlement Date, and (y) the required date for filing the applicable Tax Return (including any extensions permitted by law), the Blocker Sellers will deliver to Parent drafts of all Tax Returns required to be filed by their respective Blocker Entities for the Parent Ownership Tax Periods, which drafts will be consistent with the information provided by the Company pursuant to this Section 8.13(c).

(iii) Parent shall cause the Blocker Entities to file their Tax Returns for the Parent Ownership Tax Periods in a manner substantially consistent with the draft Tax Returns delivered pursuant to Section 8.13(c)(ii), provided, however, that if Parent disagrees with the treatment of any item on such draft Tax Returns, the parties will negotiate in good faith to resolve any such disagreement. Failing such resolution, the matter shall be referred to the Accounting Referee, the determination of which shall be final and binding upon the parties.

(iv) At least two business days prior to the required date (including any extensions permitted by law) for filing the Tax Return for any Parent Ownership Tax Period, the Syncom Blocker Seller or the Baralonco Blocker Seller, as the case may be, shall pay to Parent the amount of the Pre-Closing Tax Liability shown as due on the corresponding Tax Return.

(v) No later than five business days before the Blocker Settlement Date, Parent shall deliver to each Blocker Seller a reconciliation statement showing:

(x) the aggregate Pre-Closing Tax Liability of the corresponding Blocker Entity for the Parent Ownership Tax Periods (as reflected on the Tax Returns to be filed pursuant to clause Section 8.13(c)(iii)) with

(y) the amounts paid by the corresponding Blocker Entity and by the Blocker Sellers pursuant to Sections 8.13(c)(i) and (iv) in respect of such returns prior to the Closing, including a statement of the amount (if any) required to be paid by each such Seller to Parent or by Parent to such Seller in order to effect such reconciliation.

The reconciliation payments reflected on the statements shall be made on the Blocker Settlement Date.

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(vi) Upon receipt by Parent of all payments (if any) required of the Syncom Blocker Seller on the Blocker Settlement Date, Parent shall release to the Syncom Blocker Seller the shares of Parent stock pledged by the Syncom Blocker Seller (to the extent such shares are not otherwise required to be retained pursuant to the Pledge Agreement).

(vii) On the Baralonco Release Date, Parent shall release to the Baralonco Blocker Seller shares of Parent stock pledged by the Baralonco Blocker Seller (to the extent such shares are not otherwise required to be retained pursuant to the Pledge Agreement).

(d) Pre-Closing Tax Audits of the Company. Notwithstanding Section 10.03, in the event of any US federal, state or local income Tax audits of the Company with respect to any Pre-Closing Tax Period or portion thereof, if (x) Parent and the Sellers' Committee reasonably conclude that such audit could have a material adverse effect on any of the Sellers and (y) a Majority of Interests of the Sellers that could be so affected acknowledge in writing any indemnification obligations that they may have under Section 10.02 (taking into account all limitations set forth in Article X) with respect to all Taxes assessed or that may be assessed in connection with such audit and provide reasonable assurance to Parent of their financial capacity to provide any such applicable indemnification with respect to such Taxes, then solely with respect to those portions of the audit relating to the Pre-Closing Tax Period

(i) the Sellers' Committee shall be entitled to participate in such audit, including having the right to participate in any contest or settlement discussions with respect to any claims or assessments pursuant thereto, and

(ii) no settlement of such audit shall be settled or compromised without the consent of the Sellers' Committee, which such consent shall not be unreasonably withheld, provided, however, that if Parent reasonably concludes that any positions or settlements proposed by the Sellers' Committee in the conduct of such audit has or could have a material adverse effect on Parent and/or any Blocker Entity, no consent of the Sellers' Committee shall be required, and Parent shall have ultimate control of any settlement or compromise of such audit.

Section 8.14. Regulatory Matters.

(a) The parties shall cooperate with one another and use their reasonable best efforts to make the following filings as soon as possible, to the extent legally required or deemed appropriate by mutual agreement of the parties: (i) any required notifications to the Department of Defense and U.S. security agencies; (ii) a submission of a joint notification to the Committee on Foreign Investment in the United States pursuant to Section 721 of the Defense Production Act of 1950, (the "Exon-Florio Amendment"); (iii) any filings or notifications required to be made prior to the Closing under the Arms Export Control Act of 1976 and the International Traffic in Arms Regulations, 22 C.F.R. Parts 120-130; and (iv) any filings or notifications required to be made prior to the Closing to the Office of Foreign Assets Control, Department of the Treasury.

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(b) The consummation of the transactions contemplated by this Agreement is subject to the prior consent and approval of the FCC. The Company and its Subsidiaries and Parent shall prepare and, within 20 Business Days after the date hereof, file with the FCC the FCC Consent Application. In addition, each party hereto covenants and agrees to (i) furnish to the other parties such information and assistance as such parties reasonably may request in connection with the preparation or prosecution of the FCC Consent Application; (ii) file any amendment or modification to the FCC Consent Application; (iii) otherwise take any other action with respect to the FCC as may be reasonably necessary in connection with the transactions contemplated hereby; and (iv) cooperate in good faith with the other parties hereto with respect to the foregoing, all as may be determined by Parent, the Company and its Subsidiaries to be necessary, appropriate or advisable in order to consummate the transactions contemplated by this Agreement.

(c) The Company and its Subsidiaries and Parent shall (i) use reasonable best efforts to prepare, file and diligently prosecute all applications required to be filed with non-U.S. Governmental Authorities for consent to the transactions contemplated hereby, and to provide all appropriate filings and notifications to such non-U.S. Governmental Authorities (such applications, filings and notifications, collectively, the “Foreign Applications”); (ii) furnish to the other parties such information and assistance as such parties reasonably may request in connection with the preparation or prosecution of any such applications; and (iii) keep the other parties promptly apprised of any communications with, and inquiries or requests for information from, such non-U.S. Governmental Authorities with respect to the transactions contemplated hereby.

(d) Each party agrees to comply with any condition imposed on it by any FCC Consent and with any condition imposed on it by any similar order of similar and non-U.S. Governmental Authority, except that no party shall be required to comply with a condition if (i) the condition was imposed on it as the result of a circumstance the existence of which does not constitute a breach by that party of any of its representations, warranties, covenants, obligations or agreements hereunder or (ii) compliance with the condition would reasonably be expected to result in or cause a Company Material Adverse Effect or a Parent Material Adverse Effect.

ARTICLE 9

CONDITIONS TO CLOSING

Section 9.01. Conditions to Obligations of Parent, Sellers and the Company. The obligations of Parent, Sellers and the Company to consummate the Closing are subject to the satisfaction of the following conditions:

(a) the Parent Stockholder Approval shall have been obtained;

(b) no Law shall prohibit the consummation of the Closing;

(c) any applicable waiting period under the HSR Act relating to the transactions contemplated hereby shall have expired or been terminated; and

(d) FCC Consent with respect to the FCC Consent Application;

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(e) FCC Consent with respect to any other FCC applications required in connection with the consummation of the transactions contemplated by this Agreement; and

(f) all actions by or in respect of, or filings with, any other Governmental Authority, required to permit the consummation of the transactions contemplated hereby shall have been taken, made or obtained, other than such actions or filings the failure of which to take, make or obtain would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect or a Parent Material Adverse Effect.

Section 9.02. Conditions to the Obligations of Parent. The obligations of Parent to consummate the Closing are subject to the satisfaction of the following further conditions:

(a) (i) the Company and Sellers shall have performed in all material respects all of their respective obligations hereunder required to be performed by them at or prior to the Closing Date, (ii) the representations and warranties of the Company and Sellers contained in this Agreement and in any certificate or other writing delivered by the Company or Sellers pursuant hereto shall be true and correct in all respects (without giving effect to any limitation as to "materiality" or "Company Material Adverse Effect" contained therein) at and as of the Closing Date as if made at and as of the Closing Date (or, to the extent any such representation and warranty specifically states that it refers to an earlier date, on and as of such earlier date), except where the failures of such representations and warranties to be so true and correct, in the aggregate, would not reasonably be expected to have a Company Material Adverse Effect, and (iii) Parent shall have received a certificate signed by the Chief Executive Officer of the Company to the foregoing effect;

(b) Each Seller which is a Stock Buyer shall have executed and delivered the registration rights agreement substantially in the form of Exhibit D hereto (the "Registration Rights Agreement");

(c) Each Seller of the Blocker Shares shall have executed and delivered the pledge agreement substantially in the form of Exhibit E hereto (the "Pledge Agreement");

(d) Sellers shall have effected the Contribution;

(e) Parent shall have received (x) a certification dated not more than 30 days prior to the Closing Date, issued by the Company and signed by an officer of the Company under penalties of perjury, certifying that (i) fifty percent or more of the value of the gross assets of the Company does not consist of U.S. real property interests or (ii) ninety percent or more of the value of the gross assets of the Company does not consist of U.S. real property interests plus cash or cash equivalents and (y) a certification for each Blocker Entity dated not more than 30 days prior to the Closing Date and signed by an officer of such Blocker Entity to the effect that such Blocker Entity is not, nor has it been within the time period specified in Section 897(c)(1)(A)(ii) of the Code, a "United States real property holding corporation" as defined in Section 897 of the Code. The foregoing certification in clause (x) is intended to comply, and should be interpreted in accordance, with the exemption from withholding provided in Section 1.1445-11T(d)(2) of the Treasury Regulations;

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(f) Parent shall have received an affidavit, duly executed and signed under penalties of perjury, by the custodian of Blocker Shares in Baralonco Blocker substantially to the effect that, in its capacity as custodian of such Blocker Shares, it has actual knowledge of the identity of the ultimate beneficial owner of such Blocker Shares, who has been the ultimate beneficial owner of such Blocker Shares from the date of formation of Baralonco Blocker to the Closing Date; and

(g) Baralonco Blocker shall have delivered to Parent a letter or letters providing evidence that it has repaid and settled all of its outstanding debt and all other liabilities.

Section 9.03. Conditions to the Obligations of the Company and Sellers. The obligations of the Company and Sellers to consummate the Closing are subject to the satisfaction of the following further conditions:

(a) (i) Parent shall have performed in all material respects all of their respective obligations hereunder required to be performed by it at or prior to the Closing Date, (ii) the representations and warranties of Parent contained in this Agreement and in any certificate or other writing delivered by Parent pursuant hereto shall be true and correct in all respects (without giving effect to any limitation as to "materiality" or "Parent Material Adverse Effect" contained therein) at and as of the Closing Date as if made at and as of the Closing Date (or, to the extent any such representation and warranty specifically states that it refers to an earlier date, on and as of such earlier date), except where the failures of such representations and warranties to be so true and correct, in the aggregate, would not reasonably be expected to have a Parent Material Adverse Effect, and (iii) the Company shall have received a certificate signed by the Chief Executive Officer of Parent to the foregoing effect;

(b) The persons referred to on Schedule 8.06(b) shall have resigned as officers or directors of Parent and the persons referred to on Schedule 8.06(a) shall have been duly appointed as officers or directors of Parent;

(c) Parent shall have made appropriate arrangements to have the Trust Account disbursed to Parent immediately upon the Closing (and the amount of such disbursement shall be no less than $400,000,000 (plus any accrued interest and less (i) the payment of deferred underwriting discounts and commissions and (ii) any payments to the holders of IPO Shares who vote against the consummation of the transactions contemplated by this Agreement and exercise their rights to convert their IPO Shares into cash);

(d) Parent and its Affiliates party thereto shall have executed and delivered the Registration Rights Agreement; and

(e) Parent shall have executed and delivered the Pledge Agreement.

ARTICLE 10

SURVIVAL; INDEMNIFICATION

Section 10.01. Survival. The representations and warranties of the parties hereto contained in this Agreement or in any certificate or other writing delivered pursuant

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hereto or in connection herewith and each covenant requiring performance prior to the Closing shall terminate effective as of immediately prior to the Closing such that no claim for breach of any such representation or warranty or covenant may be brought after the Closing; provided, however, that the representations and warranties of Sellers contained in Article 4 and any covenants or agreements of Sellers set forth herein shall survive indefinitely or until the latest date permitted by Law, provided, however, that (w) the representations and warranties of the Syncom Blocker Seller and the Baralonco Blocker Seller contained in Section 4.07(b)(iv) and (v) and the indemnification obligations under Section 10.02(a) of any such Sellers with respect thereto shall survive until eighteen months after the Closing Date, (x) the representations and warranties of the Sellers contained in Section 4.05 and the indemnification obligations under Section 10.02(a) of any such Sellers with respect thereto shall survive until eighteen months after the Closing Date,(y) the representations and warranties of the Syncom Blocker Seller contained in Section 4.07(c), the indemnification obligations under Section 10.02(a) of any such Sellers with respect thereto and the indemnification obligations under Section 10.02(b) of any such Sellers shall survive until nine months after the Closing Date and (z) the representations and warranties of Baralonco Blocker Seller contained in Section 4.07(c), the indemnification obligations under Section 10.02(a) of any such Sellers with respect thereto and the indemnification obligations under Section 10.02(b) of any such Sellers shall survive until the second anniversary of the Closing Date. Notwithstanding the preceding sentence, any breach of representation, warranty, covenant or agreement in respect of which indemnity may be sought under this Agreement shall survive the time at which it would otherwise terminate pursuant to the preceding sentence, if notice of the inaccuracy or breach thereof giving rise to such right of indemnity shall have been given to the party against whom such indemnity may be sought prior to such time. Any covenant of any party in this Agreement that requires performance at or after the Closing shall survive the Closing.

Section 10.02. Indemnification. Effective at and after the Closing, each Seller severally and not jointly, hereby indemnifies Parent, the Company and their respective directors, officers and Affiliates and their respective successors and assignees (the “Parent Indemnified Parties”) against and agrees to hold each of them harmless from any and all Damages incurred or suffered by such Parent Indemnified Parties arising out of (a) any breach of representation or warranty contained in Article 4 made by such Seller (determined without regard to any qualification or exception contained therein relating to materiality or any similar qualification or standard) or breach of covenant or agreement made or to be performed by such Seller pursuant to this Agreement regardless of whether such Damages arise as a result of the negligence, strict liability or any other theory of law or, violation of law by any Seller or (b) any Pre-Closing Tax Liability of any Blocker Entity in which such Seller owns any Blocker Shares. Parent Indemnified Parties shall not be entitled to any duplicative recovery with respect to the same Damages arising under multiple provisions of this Agreement under any circumstances whatsoever. Each Seller’s maximum liability for all claims for indemnification pursuant to this Agreement shall not exceed the sum of (i) the cash consideration received by such Seller pursuant to Article II and (ii) the product of the number of shares of Parent Stock received by such Seller pursuant to Article II and $10, provided, however, in respect of claims for indemnification pursuant to (y) Section 10.02(a) in connection with any breach of representation or warranty contained in Section 4.07(c) or (z) Section 10.02(b), the maximum liability shall not exceed $3 million for the Syncom Blocker Seller and $15 million for the Baralonco Blocker Seller. For the avoidance of doubt, no Seller shall have any liability under this Agreement for

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the breaches of any representation, warranty, covenant or agreement by any other Seller or for any Taxes of any other Seller or any Blocker Entity in which such Seller has never owned any equity interests. In support of their indemnification obligations, (i) the Syncom Blocker Seller agree to pledge 300,000 shares of Parent stock until the first business day that is at least nine months after the Closing Date (the "Blocker Settlement Date"), and (ii) the Baralonco Blocker Seller agrees to pledge 1,500,000 shares of Parent stock until the second anniversary of the Closing Date (the "Baralonco Release Date"). Such pledges shall be effected pursuant to the Pledge Agreement.

Section 10.03. Indemnification Procedures. The party seeking indemnification under Section 10.02 (the "Indemnified Party") agrees to give prompt notice to the party against whom indemnity is sought (the "Indemnifying Party") of the assertion of any claim, or the commencement of any suit, action or proceeding in respect of which indemnity may be sought under such Section. The Indemnified Party will be entitled, at the sole expense and liability of the Indemnifying Party, to exercise full control of the defense, compromise, or settlement of any such third party claim unless the Indemnifying Party, within twenty (20) days after the giving of such notice by the Indemnified Party, and in any event within such shorter period as may be reasonably necessary for the Indemnified Party to otherwise take appropriate action to resist such third party claim, (i) acknowledges in writing without any reservation of its rights its indemnification obligations and provides reasonable assurance to the Indemnified Party of its financial capacity to defend such third party claim and provide full indemnification with respect to such third party claim, (ii) notifies the Indemnified Party in writing of the Indemnifying Party's intention to assume such defense and (iii) retains legal counsel reasonably satisfactory to the Indemnified Party to conduct the defense of such third party claim. If the Indemnifying Party does not elect to exercise control of the defense, compromise or settlement of such third party claim, it may at its own expense participate in (but not control) such defense, compromise or settlement. The Indemnifying Party shall not be liable under Section 10.02 for any settlement effected without its consent (not to be unreasonably withheld) of any claim, litigation or proceeding in respect of which indemnity may be sought hereunder.

Section 10.04. Indemnification Payments. Any payment under Section 10.02 to an Indemnified Party entitled to indemnification pursuant to Section 10.02 shall be paid to such Indemnified Party by (1) wire transfer of immediately available funds to an account of such Indemnified Party as may be designated by such Indemnified Party or (2) delivery to such Indemnified Party of a certified or official bank check payable in immediately available funds to such Indemnified Party. Any such payments and any payments pursuant to Sections 8.13(c)(i), (iv) or (v) hereof shall constitute adjustments to the purchase price of the corresponding Units or Blocker Shares and shall be so treated by the parties for all Tax purposes.

Section 10.05. Waiver of Claims and Rights. Except for (i) rights arising pursuant to the terms of any Transaction Document (or any document identified on Schedule 10.05), (ii) rights arising pursuant to any employment agreement with Parent or its Affiliates, or under any Employee Plan described in this Agreement and (iii) rights to indemnification for actions taken in their capacity as an director or officer, each Seller, as of the Closing Date, irrevocably waives any rights and claims such Seller, or, to the extent permitted by Law and otherwise, any person designated to serve as an officer or director of the Company by such Seller, may have against Parent, any of its Affiliates or their respective officers, directors,

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employees or agents, whether in law or in equity, relating to the Blocker Entities, the Units, the Company, the Company's Subsidiaries, the Interests or any options to purchase Interests, or arising out of such Person's ownership of Units or any options to purchase Units, such Person's position (including as a director or officer) with the Blocker Entities, the Company or the Company's Subsidiaries prior to the Closing (subject to the exclusions described above), the operation of the business of the Blocker Entities, the Company and the Company's Subsidiaries prior to the Closing or the transactions contemplated hereby or by any other Transaction Document.

Section 10.06. Exclusive Remedy. Except as specifically set forth in the Transaction Documents, effective as of the Closing the parties waive any rights and claims they may have against the other parties, whether in law or in equity, relating to this Agreement, the other Transaction Documents or the transactions contemplated hereby and thereby. After the Closing, the Indemnified Parties' sole and exclusive remedy with respect to any and all claims relating to this Agreement, the other Transaction Documents and the transactions contemplated hereby and thereby shall be pursuant to the indemnification provisions set forth in this Article 10. For the avoidance of doubt, this Section 10.06 does not apply to any of the documents identified on Schedule 10.05.

ARTICLE 11

TERMINATION

Section 11.01. Grounds for Termination. This Agreement may be terminated at any time prior to the Closing Date (notwithstanding any approval of this Agreement by the stockholders of Parent):

(a) by mutual written agreement of the Company and Parent;

(b) by either the Company or Parent, if:

(i) the Closing has not been consummated on or before June 29, 2009 (if all regulatory approvals required to consummate the Closing have been obtained prior to such date) or February 14, 2010 (if the only condition to Closing unfulfilled as of June 29, 2009 is the obtaining of all regulatory approvals required to consummate the Closing), (the "End Date"); provided that the right to terminate this Agreement pursuant to this Section 11.01(b)(i) shall not be available to any party whose breach of any provision of this Agreement results in the failure of the Closing to be consummated by such time;

(ii) there shall be any material Law that (A) makes consummation of the Closing illegal or otherwise prohibited or (B) enjoins the parties hereto from consummating the Closing and such injunction shall have become final and nonappealable; or

(iii) the Parent Stockholder Approval shall not have been obtained at the Parent Shareholder Meeting (including any adjournment thereof);

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(c) by Parent, if a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Company or a Seller set forth in this Agreement shall have occurred that would cause the condition set forth in Section 9.02(a) not to be satisfied, and such condition is incapable of being satisfied by the End Date; or

(d) by the Company, if:

(i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Parent set forth in this Agreement shall have occurred that would cause the condition set forth in Section 9.03(a) not to be satisfied, and such condition is incapable of being satisfied by the End Date; or

(ii) the Parent Stockholder Meeting has not been held within 90 days of the Parent Proxy Statement being cleared by the SEC.

The party desiring to terminate this Agreement pursuant to this Section 11.01 (other than pursuant to Section 11.01(a)) shall give notice of such termination to the other party.

Section 11.02. Effect of Termination. If this Agreement is terminated pursuant to Section 11.01, this Agreement shall become void and of no effect without liability of any party (or any stockholder, member, director, officer, employee, agent, consultant or representative of such party) to the other party hereto; provided that, if such termination shall result from the willful (i) failure of any party to fulfill a condition to the performance of the obligations of the other party or (ii) failure of any party to perform a covenant hereof, such party shall be fully liable for any and all liabilities and damages incurred or suffered by the other parties as a result of such failure. The provisions of this Section 11.02, Section 11.03 and Article 12 shall survive any termination hereof pursuant to Section 11.01.

Section 11.03. Termination Fee. If (x) this Agreement is terminated by Parent or the Company pursuant to Section 11.01(b)(iii), (y) Parent breaches its obligations under Section 7.02 or Section 8.01 of this Agreement and (z) Parent consummates an Initial Business Combination (other than with the Company), Parent shall pay to the Company, within two Business Days of such consummation, $5,000,0000 in cash, shares of Parent Stock or combination thereof, at Parent’s election. The number of shares of Parent Stock deliverable in respect of the amount elected by the Parent to be delivered in shares of Parent Stock shall equal (x) such amount divided by (y) the Average Stock Price as of the date of such consummation, provided that no fractional shares shall be delivered and that cash shall be paid in lieu of any fractional shares. The receipt of such cash or shares of Parent Stock, as the case may be, shall be the exclusive remedy of the Company, Sellers and their respective Affiliates with respect to such breach and they shall have waived any other rights and claims they may have against Parent and its Affiliates, whether in law or in equity, relating to this Agreement, the other Transaction Documents or the transactions contemplated hereby and thereby, following receipt of such cash or shares of Parent Stock. Notwithstanding the foregoing, if prior to ten (10) Business Days immediately following the termination of this Agreement, the Company notifies Parent in writing that it believes in good faith that Parent has committed a willful breach of this Agreement, then the obligation of Parent set forth in the first sentence of this Section 11.03 shall

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not come into effect and the Company shall have the right to pursue its remedies for willful breach of this Agreement against Parent, subject to other limitations set forth in this Agreement.

Section 11.04. Limitation On Remedy. Sellers and the Company hereby acknowledge that (a) they have read the prospectus dated February 14, 2008, filed by Parent with the SEC pursuant to Rule 424 promulgated under the 1933 Act and understand that Parent has established the Trust Account for the benefit of certain Persons (as described in the prospectus) and that Parent may disburse monies from the Trust Account only to certain Persons (as described in the prospectus) and (b) for and in consideration of Parent agreeing to evaluate the Blocker Entities and the Company for purposes of consummating a transaction with respect to their capital stock, Sellers and the Company agree that, prior to Closing, they do not have, directly or indirectly, any right, title, interest or claim of any kind in or to any monies in the Trust Account and waive any such claim they may have in the future as a result of, or arising out of, this Agreement, any other Transaction Document or any negotiations, contracts or agreements with Parent or any of its Affiliates or representatives and will not seek recourse, directly or indirectly, against the Trust Account for any reason whatsoever.

ARTICLE 12

MISCELLANEOUS

Section 12.01. Notices. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile transmission) and shall be given,

if to Parent, to:

GHL Acquisition Corp.
300 Park Avenue
New York, NY 10022
Attention: Jodi Ganz
Facsimile No.: (212) 389-1761

with a copy to:

Davis Polk & Wardwell
450 Lexington Avenue
New York, NY 10017
Attention: Leonard Kreynin
Facsimile No.: (212) 450-3800

if to any Seller, to the address set forth below such Seller’s signature on the signature pages hereof

if to the Company, prior to Closing, to:

Iridium Holdings LLC
6707 Democracy Boulevard, Suite 300
Bethesda, MD 20817

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Attention: John Brunette
Facsimile No.: (301) 571-6250

with a copy to:

Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, NY 10017
Attention: Edward J. Chung
Facsimile No.: (212) 455-2502

if to the Sellers' Committee, after Closing, to:

Iridium Holdings LLC Sellers' Committee
c/o Fulbright & Jaworski LLP
801 Pennsylvania Avenue, N.W.
Washington, DC 20004
Attention: Steven B. Pfeiffer
Facsimile No.: (202) 662-4643

Iridium Holdings LLC Sellers' Committee
c/o Syncom Funds
8515 Georgia Avenue
Suite 725
Silver Spring, MD 20910
Attention: Terry L. Jones
Facsimile No.: (301) 608-3307

or to such other address or facsimile number as such party may hereafter specify for the purpose by notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed to have been received on the next succeeding Business Day in the place of receipt.

Section 12.02. Amendments and Waivers. (a) Any provision of this Agreement (including any Schedule or Exhibit hereto) may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by Parent, the Company, the Sellers' Committee and each other party to this Agreement who is adversely affected by such amendment in a manner that is material and disproportionate to any other party, or in the case of a waiver, by the party against whom the waiver is to be effective. Notwithstanding the foregoing, after the Closing, amendments or waivers must be approved in writing by the Sellers' Committee.

(b) No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or

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privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by Law.

Section 12.03. Addition of Sellers. In the event that one or more of the Persons listed on Schedule 2.01 has not executed a counterpart to this Agreement as of the date hereof, Parent, in its sole discretion, may allow such person after the date hereof to execute (x) a counterpart to this Agreement, accepting and agreeing to be bound by all of the terms and conditions hereof, and (y) such other documents or instruments as are necessary or appropriate to effect such Person's addition as a Seller hereunder.

Section 12.04. Expenses. Except as otherwise provided herein, all costs and expenses incurred in connection with the Transaction Documents shall be paid by the party incurring such cost or expense.

Section 12.05. Successors and Assigns. No party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of each other party hereto.

Section 12.06. Governing Law. This Agreement shall be governed by and construed in accordance with the law of the State of Delaware, without regard to the conflicts of law rules of such state.

Section 12.07. Jurisdiction. The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in any federal court located in the State of Delaware or any Delaware state court, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each party agrees that service of process on such party as provided in Section 12.01 shall be deemed effective service of process on such party.

Section 12.08. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 12.09. Counterparts; No Third Party Beneficiaries. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each party hereto shall have received a counterpart hereof signed by the other party hereto. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Except with respect

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to persons specified in Sections 8.09, 8.11 and 10.02, no provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the parties hereto and their respective successors and assigns.

Section 12.10. Entire Agreement. This Agreement and the other Transaction Documents constitute the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior agreements and understandings, both oral and written, between the parties with respect to the subject matter of this Agreement and the other Transaction Documents.

Section 12.11. Specific Performance. The parties hereto agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof (subject, in the case of enforcement against Parent, to the limitations set forth in Section 11.04) in any federal court located in the State of Delaware or any Delaware state court, in addition to any other remedy to which they are entitled at law or in equity.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

IRIDIUM HOLDINGS LLC

By: /s/ Matthew J. Desch
Name: Matthew J. Desch
Title: Chief Executive Officer

GHL ACQUISITION CORP.

By: /s/ Robert Niehaus
Name: Robert Niehaus
Title: Senior Vice President

SYNDICATED COMMUNICATIONS
VENTURE PARTNERS IV, L.P.

BY: WJM PARTNERS IV, LLC,
ITS GENERAL PARTNER

By: /s/ Terry L. Jones
Name: Terry L. Jones
Title: Managing Member

SYNDICATED COMMUNICATIONS INC.

By: /s/ Herbert P. Wilkins, Sr.
Name: Herbert P. Wilkins, Sr.
Title: Chairman

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BARALONCO LIMITED

By: /s/ Steven B. Pfeiffer
Name: Steven B. Pfeiffer
Title: Attorney in Fact

BAREENA SATELLITE, LLC

By: /s/ Michael Boyd
Name: Michael Boyd
Title: Director

COLUSSY GRANTOR RETAINED ANNUITY TRUST

By: /s/ Dan A. Colussy
Name: Dan A. Colussy
Title: Trustee

DAN A. COLUSSY REVOCABLE TRUST WITH DAN A. COLUSSY AS THE TRUSTEE

By: /s/ Dan A. Colussy
Name: Dan A. Colussy
Title: Trustee

TYRONE BROWN

By: /s/ Tyrone Brown
Name: Tyrone Brown
Title: Director (nonvoting)

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MOTOROLA, INC.

By: /s/ Loren S. Minkus
Name: Loren S. Minkus
Title: Director Portfolio Management

GINO PICASSO

By: /s/ Gino Picasso
Name: Gino Picasso
Title: CEO, GLOBOKASNET

AB KRONGARD

By: /s/ A.B. Krongard
Name: A.B. Krongard

THOMAS J. RIDGE

By: /s/ Thomas J. Ridge
Name: Thomas J. Ridge

IRIDIUM EMPLOYEE HOLDINGS LLC

BY: IRIDIUM SATELLITE, LLC, AS MANAGER

By: /s/ John Brunette
Name: John Brunette
Title: Chief Legal & Administrative Officer

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EMPLOYEE HOLDINGS LLC

BY: IRIDIUM SATELLITE, LLC, AS MANAGER

By: /s/ John Brunette
Name: John Brunette
Title: Chief Legal & Administrative Officer

IRIDIUM OPERATIONS SERVICES LLC

BY: IRIDIUM SATELLITE, LLC, AS MANAGER

By: /s/ John Brunette
Name: John Brunette
Title: Chief Legal & Administrative Officer

CHASE LINCOLN FIRST COMMERCIAL CORPORATION

By: /s/ Samantha Hamerman
Name: Samantha Hamerman
Title: Vice President

BNP PARIBAS

By: /s/ Fletcher Duke
Name: Fletcher Duke
Title: Managing Director

By: /s/ Francois Schwall
Name: Francois Schwall
Title: Managing Director

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CPR (USA) INC.

By: /s/ Robert Olsen
Name: Robert Olsen
Title: Authorized Signatory

DEUTSCHE BANK TRUST COMPANY AMERICAS

By: /s/ Scott G. Martin
Name: Scott G. Martin
Title: Managing Director

DEUTSCHE BANK AG, LONDON BRANCH

By: /s/ Andrea Leons
Name: Andrea Leons
Title: AIF

By: /s/ Sunil Hariani
Name: Sunil Hariani
Title: AIF

D.K. ACQUISITION PARTNERS, L.P.

BY: M.H. DAVIDSON & CO.,
AS GENERAL PARTNER

By: /s/ Anthony Yoseloff
Name: Anthony Yoseloff
Title: General Partner

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JPMORGAN CHASE BANK NA

By: /s/ Ann Kurinskas
Name: Ann Kurinskas
Title: Managing Director

KENSINGTON INTERNATIONAL LIMITED, AS NOMINEE FOR MANCHESTER SECURITIES CORP.

By: /s/ Elliot Greenberg
Name: Elliot Greenberg
Title: Vice President

POST STRATEGIC MASTER FUND, LP, AS SUCCESSOR IN INTEREST TO POST BALANCED FUND, L.P., AS GENERAL PARTNER

BY: POST ADVISORY GROUP, LLC

By: /s/ Carl H. Goldsmith
Name: Carl H. Goldsmith
Title: Managing Director

SILVER OAK CAPITAL, L.L.C.

By: /s/ Thomas M. Fuller
Name: Thomas M. Fuller
Title: Authorized Signatory

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SPRINGFIELD ASSOCIATES LLC AS NOMINEE FOR MANCHESTER SECURITIES CORP.

By: /s/ Elliot Greenberg
Name: Elliot Greenberg
Title: Vice President

STONEHILL INSTITUTIONAL PARTNERS, L.P.

BY: STONEHILL CAPITAL MANAGEMENT LLC

By: /s/ John Motulsky
Name: John Motulsky
Title: MM

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Annex B

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

OF

Iridium Communications Inc.

GHL Acquisition Corp., a corporation organized and existing under the laws of the State of Delaware (hereinafter the "Corporation"), hereby certifies as follows:

1. The name of the Corporation is GHL Acquisition Corp.

2. This Amended and Restated Certificate of Incorporation has been duly adopted by the board of directors of the Corporation (the "Board of Directors") and by the stockholders of the Corporation in accordance with Sections 228, 242 and 245 of the Delaware General Corporation Law, as amended ("DGCL"), and amends and restates the provisions of the existing Amended and Restated Certificate of Incorporation of the Corporation.

3. The text of the Amended and Restated Certificate of Incorporation of the Corporation is hereby amended and restated in its entirety to read as follows:

ARTICLE ONE

The name of the corporation is Iridium Communications Inc. The Corporation was duly incorporated under the laws of the State of Delaware on November 2, 2007. A Certificate of Incorporation was filed with the Secretary of State of the State of Delaware on November 2, 2007 under the name "GHL Acquisition Corp.".

ARTICLE TWO

The registered office and registered agent of the Corporation is The Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, New Castle County, Delaware 19808.

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ARTICLE THREE

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

ARTICLE FOUR

A. AUTHORIZED SHARES

The total number of shares of capital stock which the Corporation has authority to issue is [ ] shares, consisting of:

(A) [ ] shares of Preferred Stock, par value $0.0001 per share ("Preferred Stock"); and

(B) [ ] shares of Common Stock, par value $0.001 per share ("Common Stock").

B. PREFERRED STOCK

The board of directors of the Corporation (the "Board of Directors") is expressly authorized to provide for the classification and reclassification of any unissued shares of Preferred Stock and the issuance thereof in one or more classes or series without the approval of the stockholders of the Corporation. The stockholders of the Corporation may increase or decrease (but not below the number of shares of any class or classes then outstanding) the number of authorized shares of any such class or classes of stock by the affirmative approval of a majority of the stockholders entitled to vote thereon irrespective of the provisions of Section 242(b)(2) of the DGCL (or any successor provision thereto), including by a resolution of such stockholders, and no vote of the holders of Common Stock or Preferred Stock voting separately as a class shall be required therefore.

The Preferred Stock may be issued from time to time in one or more series, with such distinctive serial designations as may be stated or expressed in the resolution or resolutions providing for the issue of such stock adopted from time to time by the Board of Directors; and in such resolution or resolutions providing for the issuance of shares of each particular series, the Board of Directors is also expressly authorized to fix the right to vote, if any; the consideration for which the shares of such series are to be issued; the number of shares constituting such series, which number may be increased (except as otherwise fixed by the Board of Directors) or decreased (but not below the number of shares thereof then outstanding) from time to time by action of the

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Board of Directors; the rate of dividends upon which and the times at which dividends on shares of such series shall be payable, including a rate payable in shares of Preferred Stock, and the preference, if any, which such dividends shall have relative to dividends on shares of any other class or classes or any other series of capital stock of the Corporation; whether such dividends shall be cumulative or noncumulative, and if cumulative; the date or dates from which dividends on shares of such series shall be cumulative, the rights, if any, which the holders of shares of such series shall have in the event of any voluntary or involuntary liquidation, merger, consolidation, distribution or sale of assets, dissolution or winding up of the affairs of the Corporation; the rights, if any, which the holders of shares of such series shall have to convert such shares into or exchange such shares for shares of any other class or classes or any other series of capital stock of the Corporation or for any debt securities of the Corporation and the terms and conditions, including price and rate of exchange, of such conversion or exchange; whether shares of such series shall be subject to redemption, and the redemption price or prices and other terms of redemption, if any, for shares of such series including, without limitation, a redemption price or prices payable in shares of Common Stock; the terms and amounts of any sinking fund for the purchase or redemption of shares of such series; and any and all other powers, preferences and relative, participating, optional or other special rights and qualifications, limitations or restrictions thereof pertaining to shares of such series permitted by law.

C. COMMON STOCK

Except as otherwise required by applicable law, all shares of Common Stock shall be identical in all respects and shall entitle the holders thereof to the same rights and privileges, subject to the same qualifications, limitations and restrictions.

Section 1. Voting Rights. Except as otherwise required by applicable law, holders of Common Stock, voting together as if a single class, shall be entitled to one vote per share on all matters to be voted on by the Corporation’s stockholders. Except as otherwise provided by law, the Common Stock, together as if a single class, shall possess full and complete voting power for the election of members of the Board of Directors.

Section 2. Dividends. Subject to applicable law and the rights, if any, of the holders of any outstanding series of Preferred Stock or any class or series of stock having a preference over or the right to participate with the Common Stock with respect to the payment of dividends, dividends may be declared and paid on the Common Stock at such times and in such amounts as the

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Board of Directors in its discretion shall determine. Dividends shall be payable only as and when declared by the Board of Directors.

ARTICLE FIVE

The Corporation is to have perpetual existence.

ARTICLE SIX

In furtherance and not in limitation of the powers conferred by statute, the Board of Directors, acting by majority vote, is expressly authorized to make, adopt, alter, amend or repeal the by-laws of the Corporation, except as may be otherwise provided in the by-laws of the Corporation.

ARTICLE SEVEN

Meetings of stockholders may be held within or without the State of Delaware, as the by-laws of the Corporation may provide. The books of the Corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the by-laws of the Corporation. Election of directors of the Corporation need not be by written ballot unless the by-laws of the Corporation so provide.

ARTICLE EIGHT

Any action required or permitted to be taken at any annual or special meeting of stockholders may be taken only upon the vote of stockholders at an annual or special meeting duly noticed and called in accordance with the DGCL, and may not be taken by written consent of stockholders without a meeting.

ARTICLE NINE

Special meetings of the stockholders may be called by the Board of Directors and the Chairman of the Board of Directors in accordance with the by-laws of the Corporation and may not be called by any other person.

ARTICLE TEN

The business and affairs of the Corporation shall be managed by or under the direction of a Board of Directors consisting of not less than 3 and not more than [___] directors. The exact number of directors within such minimum and maximum shall be fixed solely by the Board of Directors.

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ARTICLE ELEVEN

Section 1. Limitation on Liability of Directors. The directors of the Corporation shall be entitled to the benefits of all limitations on the liability of directors generally that are now or hereafter become available under the DGCL. Without limiting the generality of the foregoing, no director of the Corporation shall be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL or (iv) for any transaction from which the director derived an improper personal benefit.

Section 2. Right of Directors and Officers To Indemnity From the Corporation. The Corporation shall indemnify, in a manner and to the fullest extent permitted by the DGCL, each person who is or was a party to or subject to, or is threatened to be made a party to or to be the subject of, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative in nature (including any legislative or self-regulatory proceeding), by reason of the fact that he or she is or was, or had agreed to become or is alleged to have been, a director or officer of the Corporation or is or was serving, or had agreed to serve or is alleged to have served, at the request of or to further the interests of the Corporation as a director, officer, manager, partner or trustee of, or in a similar capacity for, another corporation or any limited liability company, partnership, joint venture, trust or other enterprise, including any employee benefit plan of the Corporation or of any of its affiliates (any such person being sometimes referred to hereafter as an "Indemnitee"), or by reason of any action taken or omitted or alleged to have been taken or omitted by an Indemnitee in any such capacity, against, in the case of any action, suit or proceeding other than an action or suit by or in the right of the Corporation, all expenses (including court costs and attorneys' fees) and amounts paid in settlement actually and reasonably incurred by him or her or on his or her behalf and all judgments, damages, fines, penalties and other liabilities actually sustained by him or her in connection with such action, suit or proceeding and any appeal therefrom and, in the case of an action or suit by or in the right of the Corporation, against all expenses and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action or suit, if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation and, with respect to any criminal action or proceeding, without reasonable cause to believe that his or her conduct was unlawful; provided, however, that in an action by or in the right of the Corporation no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless, and then only to the extent that, the Court of Chancery of Delaware or the court in which such action or suit was brought shall determine

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upon application that, despite the adjudication of such liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity against such expenses or amounts paid in settlement as the Court of Chancery of Delaware or such other court shall deem proper. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation and, with respect to any criminal action or proceeding, without reasonable cause to believe that his or her conduct was unlawful. With respect to service by an Indemnitee on behalf of any employee benefit plan of the Corporation or any of its affiliates, action in good faith in what the Indemnitee reasonably believed to be the best interest of the beneficiaries of the plan shall be considered to be in or not opposed to the best interests of the Corporation. The Corporation shall indemnify an Indemnitee for expenses (including attorneys' fees) reasonably incurred by the Indemnitee in connection with a proceeding successfully establishing his or her right to indemnification, in whole or in part, pursuant to this Article. However, notwithstanding anything to the contrary in this Article, the Corporation shall not be required to indemnify an Indemnitee against expenses incurred in connection with a proceeding (or part thereof) initiated by the Indemnitee against the Corporation or any other person who is an Indemnitee unless the initiation of the proceeding was approved by the Board of Directors of the Corporation, which approval shall not be unreasonably withheld.

Section 3. Advancement of Expenses. Subject to the provisions of the last sentence of Section 2 of this Article, any advancement by the Corporation against expenses in advance of the final disposition of the proceeding shall be provided in accordance with the by-laws of the Corporation then in effect.

Section 4. Procedural Matters. The right to indemnification and advancement of expenses provided by this Article shall continue as to any person who formerly was an officer or director of the Corporation in respect of acts or omissions occurring or alleged to have occurred while he or she was an officer or director of the Corporation and shall inure to the benefit of the estate, heirs, executors and administrators of the Indemnitees. Unless otherwise required by law, the burden of proving that the Indemnitee is not entitled to indemnification or advancement of expenses under this Article shall be on the Corporation. The Corporation may, by provisions in its by-laws or by agreement with one or more Indemnitees, establish procedures for the application of the foregoing provisions of this Article, including a provision defining terms used in this Article. The right of an Indemnitee to indemnification or advances as granted by this Article shall be a contractual obligation of the Corporation and, as such, shall be enforceable by the Indemnitee in any court of competent jurisdiction.

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Section 5. Amendment. No amendment, termination or repeal of this Article or of the relevant provisions of the DGCL or any other applicable laws shall affect or diminish in any way the rights of any Indemnitee to indemnification under the provisions hereof with respect to any action, suit, proceeding or investigation arising out of or relating to any actions, transactions or facts occurring prior to the final adoption of such amendment, termination or repeal.

Section 6. Other Rights to Indemnity. The indemnification and advancement of expenses provided by this Article shall not be exclusive of any other rights to which an Indemnitee seeking indemnification or advancement of expenses may be entitled under any law (common or statutory), agreement, vote of stockholders or action of the Board of Directors or otherwise, both as to action in his or her official capacity and as to action in any other capacity while holding office for the Corporation, and nothing contained in this Article shall be deemed to prohibit the Corporation from entering into agreements with officers and directors providing indemnification rights and procedures different from those set forth in this Article.

Section 7. Other Indemnification and Advancement of Expenses. In addition to indemnification by the Corporation of current and former officers and directors and advancement of expenses by the Corporation to current and former officers and directors as permitted by the foregoing provisions of this Article, the Corporation may, by action of the Board of Directors, provide indemnification to such of the employees and agents of the Corporation to such extent and to such effect as the Board of Directors shall determine to be appropriate and authorized by the DGCL.

Section 8. Insurance. The Corporation may purchase and maintain insurance, at its expense, to protect itself and any current or former director, officer, employee or agent of the Corporation or of another corporation or a limited liability company, partnership, joint venture, trust or other enterprise (including any employee benefit plan) in which the Corporation has an interest against any expense, liability or loss incurred by the Corporation or such person in his or her capacity as such, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against such liability under the DGCL.

ARTICLE TWELVE

Section 1. Restrictions on Stock Ownership and Transfer. As contemplated by this Article, the Corporation may restrict the ownership, or proposed ownership, of Common Stock or Preferred Stock of the Corporation by any person if such ownership or proposed ownership (i) is or could be inconsistent with, or in violation of, any provision of the Federal Communications

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Laws (as hereinafter defined); (ii) limits or impairs or could limit or impair any business activities or proposed business activities of the Corporation under the Federal Communications Laws; or (iii) subjects or could subject the Corporation to any law, regulation or policy under the Federal Communications Laws to which the Corporation would not be subject but for such ownership or proposed ownership (clauses (i), (ii) and (iii) collectively, "FCC Regulatory Limitations"). For purposes of this Article, the term "Federal Communications Laws" shall mean the Communications Act of 1934, as amended, and the rules, regulations or policies promulgated thereunder.

Section 2. Requests for Information. If the Corporation believes that the ownership or proposed ownership of Common Stock or Preferred Stock of the Corporation by any person may result in an FCC Regulatory Limitation, such person shall furnish promptly to the Corporation such information (including, without limitation, information with respect to citizenship, other ownership interests and affiliations) as the Corporation shall request.

Section 3. Denial of Rights, Refusal to Transfer. If (i) any person from whom information is requested pursuant to Section 2 of this Article does not provide all the information requested by the Corporation, or (ii) the Corporation shall conclude in its sole discretion that a person's ownership or proposed ownership of, or that a person's exercise of any rights of ownership with respect to the Common Stock or Preferred Stock of the Corporation, results or could result in an FCC Regulatory Limitation, then, in the case of either clause (i) or clause (ii), the Corporation may (a) refuse to permit the transfer of Common Stock or Preferred Stock of the Corporation to such person, (b) suspend those rights of stock or equity ownership the exercise of which causes or could cause such FCC Regulatory Limitation, (c) redeem the Common Stock or Preferred Stock of the Corporation held by such person in accordance with the terms and conditions set forth herein, and/or exercise any and all appropriate remedies, at law or in equity, in any court of competent jurisdiction, against any such person, with a view towards obtaining such information or preventing or curing any situation which causes or could cause an FCC Regulatory Limitation. Any refusal of transfer or suspension of rights pursuant to clauses (a) and (b), respectively, of the immediately preceding sentence shall remain in effect until the requested information has been received and the Corporation has determined in its sole discretion that such transfer, or the exercise of such suspended rights, as the case may be, will not result in an FCC Regulatory Limitation.

ARTICLE THIRTEEN

The Corporation expressly elects not to be governed by Section 203 of the DGCL.

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ARTICLE FOURTEEN

The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Amended and Restated Certificate of Incorporation in the manner now or hereafter prescribed herein and by the laws of the State of Delaware, and all rights conferred upon stockholders herein are granted subject to this reservation.

IN WITNESS WHEREOF, the undersigned has caused this Amended and Restated Certificate of Incorporation to be executed by _____, its _____, this __ day of _____, 200__.

[_____]

By:
Name:
Title:

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Annex C

PLEDGE AGREEMENT

PLEDGE AGREEMENT dated as of _____, ___ (the "Effective Date") between [NAME OF PLEDGOR] (the "Pledgor") and GHL Acquisition Corporation (the "Pledgee").

WHEREAS, the Pledgor and the Pledgee are parties to the Transaction Agreement dated as of September 22, 2008 (as amended from time to time, the "Transaction Agreement"); and

WHEREAS, the Pledgor is willing to secure its indemnification obligations under the Transaction Agreement and certain other obligations set forth herein, by granting Liens on certain assets to the Pledgee as provided herein.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Definitions.

(a) Terms Defined in Transaction Agreement. Except for capitalized terms specifically defined in this Agreement, the terms defined in the Transaction Agreement shall have, as used herein, the respective meanings provided for such terms in the Transaction Agreement.

(b) Terms Defined in UCC. As used herein, each of the following terms has the meaning specified in the UCC:

Term	UCC Section
Authenticate	9-102
Control	8-106
Instrument	9-102
Proceeds	9-102
Registered Organization	9-102

(c) Additional Definitions. The following additional terms, as used herein, have the following meanings:

"Collateral" has the meaning set forth in Section 2; provided that if at any time the Pledgor proposes to substitute other collateral for the Collateral described in Section 2 and the Pledgee agrees in its sole discretion to such substitution, "Collateral" shall mean such substitute collateral as defined in the amendment or other documents agreed and executed by the parties to document such

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substitution. References to the Collateral include the Pledged Securities, except as the context otherwise requires.

"Indemnification Event" means the failure by the Pledgor to make payment in full for any claim for indemnification made by an Indemnified Party pursuant to Article 10 of the Transaction Agreement after (i) the Pledgor's liability has been determined by a final non-appealable judgment of a court of compentent jurisdiction in respect of such claim or (ii) conclusion of a written settlement agreement between Pledgor and Pledgee in respect of such claim.

"Permitted Liens" means (i) the Security Interest, and (ii) inchoate Tax and ERISA Liens.

"Pledged Securities" means [ ] shares of Pledgee's common stock, represented by stock certificate number [ ], which are pledged by the Pledgor hereunder. "Release Date" means the first Business Day that is on or after nine months after the Closing Date]1 [the first Business Day that is on or after the second anniversary of the Closing Date]2; provided that, if there is any outstanding dispute under Article 10 of the Transaction Agreement, the Collateral shall be partially released to the Pledgor, but only to extent that a sufficient amount of Collateral remains so as to satisfy all outstanding claims related to all Indemnification Events.

"Secured Obligations" means all Damages and costs arising from or in connection with an Indemnification Event.

"Security Document" means this Agreement and the Transaction Agreement.

"Security Interest" means the security interest in the Collateral granted hereunder.

"Transfer Restriction" means, with respect to any item of Collateral pledged hereunder, any condition to or restriction on the ability of the owner thereof to sell, assign or otherwise transfer such item of Collateral or enforce the provisions thereof or of any document related thereto whether set forth in such item of Collateral itself or in any document related thereto, including (i) any requirement that any sale, assignment or other transfer or enforcement for such item of Collateral be consented to or approved by any Person, including the issuer

1 In the case of the Syncom Blocker Seller.
2 In the case of the Baralonco Seller.

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thereof or any other obligor thereon, (ii) any limitations on the type or status, financial or otherwise, of any purchaser, pledgee, assignee or transferee of such item of Collateral, and (iii) any requirement for the delivery of any certificate, consent, agreement, opinion of counsel, notice or any other document of any Person to the issuer of, any other obligor on or any registrar or transfer agent for, such item of collateral, prior to the sale, pledge, assignment or other transfer or enforcement of such item of collateral.

"UCC" means the Uniform Commercial Code as in effect from time to time in the State of New York; provided that, if perfection or the effect of perfection or non-perfection or the priority of the Security Interest on any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, "UCC" means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

(d) Terms Generally. The definitions of terms herein (including those incorporated by reference to the UCC or to another document) apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun includes the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (ii) any reference herein to any Person shall be construed to include such Person's successors and permitted assigns, (iii) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (iv) all references herein to Sections, Exhibits and Schedules shall be construed to refer to Sections of, and Exhibits and Schedules to, this Agreement and (v) the word "property" shall be construed to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

2. Security Interest. In order to secure the Secured Obligations, the Pledgor hereby grants to the Pledgee a security interest in the following (the "Collateral"):

(a) all right, title and interest of the Pledgor in the Pledged Securities and all rights of the Pledgor in respect of the Pledged Securities, whether now owned or existing or hereafter acquired or arising and wherever located; and

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(b) all Proceeds of any of the foregoing.

The Security Interest is granted as security only and shall not subject the Pledgee to, or transfer or in any way affect or modify, any obligation or liability of the Pledgor with respect to any of the Collateral or any transaction in connection therewith.

3. Representations, Warranties and Covenants of the Pledgor. The Pledgor represents and warrants to the Pledgee as of the date hereof, and covenants with the Pledgee, as follows:

(a) [For the Syncom Blocker Seller: The Pledgor is a Registered Organization validly existing and in good standing under the Laws of the State of Delaware.] [For the Baralonco Seller: [The Pledgor is a business company duly incorporated and in good legal standing under the laws of the British Virgin Islands.] The Pledgor's exact legal name is correctly set forth on the signature page hereof. The Pledgor will provide the Pledgee with at least 30 days' prior written notice of any change in the Pledgor's name or form or jurisdiction of organization.

(b) The Pledgor has good and marketable title to all of the Collateral, free and clear of any Lien, other than Permitted Liens. With respect to the Pledged Securities, the Pledgor is relying on the representations of the Pledgee in Section 5.05 of the Transaction Agreement. The Pledgor has not performed any acts that might prevent the Pledgee from enforcing any of the provisions of this Agreement. No financing statement, security agreement, mortgage or similar or equivalent document or instrument covering all or part of the Collateral is on file or of record in any jurisdiction in which such filing or recording would be effective to perfect or record a Lien on such Collateral except for the Security Interest. After the date of this Agreement, no Collateral will be in the possession or under the Control of any other Person having a claim thereto or security interest therein, other than Permitted Liens.

(c) None of the Collateral is subject to any Transfer Restriction except those created under the Transaction Documents and under federal and state securities laws. The Pledgor will not cause or suffer to exist any Transfer Restriction with respect to any of the Collateral except those created under the Transaction Documents and under federal and state securities laws.

(d) To the extent that (i) perfection of a security interest in the Collateral may be perfected by control pursuant to the UCC and (ii) the Pledgee obtains and maintains control of the Collateral, no registration, recordation or filing with any governmental body, agency or official is required in connection with the execution or delivery of this Agreement or is necessary for the validity or enforceability thereof or for the perfection or due recordation of the Security Interest or for the enforcement of the Security Interest.

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(e) The Pledgor will, from time to time, at its expense, execute, deliver, file and record any statement, assignment, instrument, document, agreement or other paper and take any other action that from time to time may be necessary in order to (i) create, preserve or perfect the Security Interest, (ii) cause the Pledgee to have Control of the Collateral or (iii) enable the Pledgee to exercise and enforce any of its rights, powers and remedies with respect to the Collateral.

(f) The Pledgor will, promptly upon request, provide to the Pledgee all information and evidence concerning the Collateral that the Pledgee may request from time to time to enable it to enforce the provisions of this Agreement.

4. Dispositions; Proceeds; Voting Rights, Etc.

(a) The Pledgor will not sell or otherwise dispose of the Collateral.

(b) Unless an Indemnification Event shall have occurred and be continuing, the Pledgor will have the right, from time to time, to vote and to give consents, ratifications and waivers with respect to the Collateral. If any Indemnification Event shall have occurred and be continuing, the Pledgee will have the exclusive right to the extent permitted by Law to give consents, ratifications and waivers and to take any other action with respect to the Collateral, with the same force and effect as if the Pledgee were the absolute and sole owner thereof, and the Pledgor will take all such action as the Pledgee may reasonably request from time to time to give effect to such right.

5. Remedies. (a) If an Indemnification Event has occurred, the Pledgee may exercise all the rights of a secured party under the UCC (whether or not in effect in the jurisdiction where such rights are exercised) with respect to the Collateral and, in addition, the Pledgee may, without being required to give any notice, except as herein provided in Section 8 or as may be required by mandatory provisions of Law, sell, lease, license or otherwise dispose of the Collateral or any part thereof, in one or more parcels at public or private sale, at any exchange, broker's board or at any of Pledgee's offices or elsewhere, for cash, on credit or for future delivery, at such time or times and at such price or prices and upon such other terms as the Pledgee may deem commercially reasonable, irrespective of the impact of any such sales on the market price of the Collateral. To the maximum extent permitted by applicable Law, the Pledgee may be the purchaser of any or all of the Collateral at any such sale and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such public sale, to use and apply all of any part of the Secured Obligations as a credit on account of the purchase price of any Collateral payable at such sale. Upon any sale of Collateral by the Pledgee (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Pledgee or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold and such purchaser or purchasers shall not be

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obligated to see to the application of any part of the purchase money paid over the Pledgor or such officer or be answerable in any way for the misapplication thereof. Each purchaser at any such sale shall hold the property sold absolutely free from any claim or right on the part of the Pledgor, and the Pledgor hereby waives (to the extent permitted by Law) all rights of redemption, stay or appraisal that it now has or may at any time in the future have under any rule of Law or statute now existing or hereafter enacted. The Pledgee shall not be obliged to make any sale of Collateral regardless of notice of sale having been given. The Pledgee may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. To the maximum extent permitted by Law, the Pledgor hereby waives any claim against the Pledgee arising because the price at which any Collateral may have been sold at such a private sale was less than the price that might have been obtained at a public sale, even if the Pledgee accepts the first offer received and does not offer such Collateral to more than one offeree. The Pledgee may disclaim any warranty, as to title or as to any other matter, in connection with such sale or other disposition, and its doing so shall not be considered adversely to affect the commercial reasonableness of such sale or other disposition.

(b) If the Pledgee sells any of the Collateral upon credit, the Pledgor will be credited only with payment actually made by the purchaser, received by the Pledgee and applied in accordance with Section 6 hereof. In the event the purchaser fails to pay for the Collateral, the Pledgee may resell the same, subject to the same rights and duties set forth herein. Notice of any such sale or other disposition shall be given to the Pledgor as required by Section 8.

6. Application of Proceeds.

(a) If an Indemnification Event has occurred, the Pledgee may apply the proceeds of any sale or other disposition of all or any part of the Collateral, in the following order of priorities:

first, to pay the expenses of such sale or other disposition, including reasonable compensation to agents of and counsel for the Pledgee, and all expenses, liabilities and advances incurred or made by the Pledgee in connection herewith, and any other amounts then due and payable to the Pledgee in respect of any expenses in connection with or any indemnity under the Transaction Agreement;

second, to pay the Secured Obligations, until payment in full of the Secured Obligations shall have been made; and

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third, to pay all interest and fees payable pursuant to Section 7 of this Agreement, until payment in full of all such interest and fees shall have been made.

7. Fees and Expenses. (a) The Pledgor will forthwith upon demand pay to the Pledgee:

(i) the amount of any Taxes that the Pledgee may have been required to pay in connection with maintaining the validity, perfection and rank of the Security Interest or to free any Collateral from any other Lien thereon; and

(ii) the amount of any and all reasonable out-of-pocket expenses, including transfer Taxes and reasonable fees and expenses of counsel and other experts, that the Pledgee may incur in connection with (x) the administration or enforcement of this Agreement, including such reasonable expenses as are incurred to preserve the value of the Collateral or the validity, perfection, rank or value of the Security Interest, (y) the collection, sale or other disposition of any Collateral or (z) the exercise by the Pledgee of any of its rights or powers under the Transaction Agreement; and

(iii) the amount of any fees that the Pledgor shall have agreed in writing to pay to the Pledgee and that shall have become due and payable in accordance with such written agreement.

Any such amount not paid to the Pledgee on demand will bear interest for each day thereafter until paid at a rate per annum equal to 10%.

(a) If any transfer Tax, documentary stamp Tax or other Tax is payable in connection with any transfer or other transaction provided for in the Security Documents, the Pledgor will pay such Tax and provide any required Tax stamps to the Pledgee or as otherwise required by Law.

8. Authority to Administer Collateral. As further security for the Secured Obligations, the Pledgor irrevocably appoints the Pledgee its true and lawful attorney, with full power of substitution, in the name of the Pledgor, the Pledgee or otherwise, for the sole use and benefit of the Pledgee, but at the expense of the Pledgor, to the extent permitted by Law to exercise, at any time and from time to time while an Indemnification Event shall have occurred or be continuing, all or any of the following powers with respect to all or any of the Collateral:

(a) to demand, sue for, collect, receive and give acquittance for any and all monies due or to become due upon or by virtue thereof;

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(b) to settle, compromise, compound, prosecute or defend any action or proceeding with respect thereto;

(c) to sell, lease, license or otherwise dispose of the same or the proceeds or avails thereof, as fully and effectually as if the Pledgee were the absolute owner thereof; and

(d) to extend the time of payment of any or all thereof and to make any allowance or other adjustment with reference thereto;

provided that, except in the case of Collateral that threatens to decline speedily in value or is of a type customarily sold on (and such sale is being made through) a recognized market, the Pledgee will give the Pledgor at least ten days prior written notice of the time and place of any public sale thereof or the time after which any private sale or other intended disposition thereof will be made. Any such notice shall (x) contain the information specified in UCC Section 9-613, (y) be Authenticated and (z) be sent to the parties required to be notified pursuant to UCC Section 9-611(c); provided that, if the Pledgee fails to comply with this sentence in any respect, its liability for such failure shall be limited to the liability (if any) imposed on it as a matter of law under the UCC.

9. Limitation on Duty in Respect of Collateral. Beyond the exercise of reasonable care in the custody and preservation thereof, the Pledgee will have no duty as to any Collateral in its possession or control or in the possession or control of any agent or bailee or any income therefrom or as to the preservation of rights against prior parties or any other rights pertaining thereto. The Pledgee will be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession or control if such Collateral is accorded treatment substantially equal to that which it accords its own property, and will not be liable or responsible for any loss or damage to any Collateral, or for any diminution in the value thereof, by reason of any act or omission of any agent or bailee selected by the Pledgee in good faith, except to the extent that such liability arises from the Pledgee's gross negligence or willful misconduct.

10. Termination, Release. (a) The Security Interest shall terminate and all rights to the Collateral shall revert to the Pledgor on the Release Date; provided, however, that if a partial release of Collateral is made as specified in the final provision in the definition of "Release Date," then the portion of such remaining Collateral retained on account of outstanding claims shall be released upon (i) the payment by the Pledgor to satisfy such outstanding claims following a final non-appealable judgment by a court of competent jurisdiction in respect of such claims; (ii) a final non-appealable judgment by such court that the Pledgor has no liability with respect of such outstanding claims; or (iii) the payment by the Pledgor after conclusion of a written settlement agreement between Pledgor and Pledgee in respect of such outstanding claims.

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(a) Upon any termination of the Security Interest and release of Collateral, the Pledgee will, at the expense of the Pledgor, execute and deliver to the Pledgor such documents as the Pledgor shall reasonably request to evidence the termination of the Security Interest and the release of the Collateral.

11. Notices. Each notice, request or other communication given to any party hereunder shall be given in accordance with Section 12.01 of the Transaction Agreement.

12. No Implied Waivers; Remedies Not Exclusive. No failure by the Pledgee to exercise, and no delay in exercising and no course of dealing with respect to, any right or remedy under any Security Document shall operate as a waiver thereof; nor shall any single or partial exercise by the Pledgee of any right or remedy under any Security Document preclude any other or further exercise thereof or the exercise of any other right or remedy. The rights and remedies specified in the Security Documents are cumulative and are not exclusive of any other rights or remedies provided by Law.

13. Successors and Assigns. This Agreement is for the benefit of the Pledgee and its successors and assigns. If all or any part of the Pledgee's interest in any Secured Obligation is assigned or otherwise transferred, the transferor's rights hereunder, to the extent applicable to the obligation so transferred, shall be automatically transferred with such obligation. This Agreement shall be binding on the Pledgor and its successors and assigns.

14. Amendments and Waivers. Neither this Agreement nor any provision hereof may be waived, amended, modified or terminated except pursuant to an agreement or agreements in writing entered into by the parties hereto.

15. Choice of Law; Submission to Jurisdiction. This Agreement shall be construed in accordance with and governed by the Laws of the State of New York except as otherwise required by mandatory provisions of Law and except to the extent that remedies provided by the Laws of any jurisdiction other than the State of New York are governed by the Laws of such jurisdiction. The Pledgor hereby submits to the nonexclusive jurisdiction of the United States District Court for the Southern District of New York and of any New York State Court sitting in New York City for purposes of all legal proceedings arising out of or relating to this Agreement. The Pledgor irrevocably waives, to the fullest extent permitted by Law, any objection which the Pledgor may now or hereafter have to the laying of the venue of any such proceeding brought in such court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum.

16. Waiver of Jury Trial. EACH PARTY HERETO WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR

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INDIRECTLY ARISING OUT OF OR RELATING TO ANY SECURITY DOCUMENT OR ANY TRANSACTION CONTEMPLATED THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

17. Severability. If any provision of this Agreement is invalid or unenforceable in any jurisdiction, then, to the fullest extent permitted by Law, (i) the other provisions of the this Agreement shall remain in full force and effect in such jurisdiction and shall be liberally construed in favor of the Pledgee in order to carry out the intentions of the parties thereto as nearly as may be possible and (ii) the invalidity or unenforceability of such provision in such jurisdiction shall not affect the validity or enforceability thereof in any other jurisdiction.

18. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date set forth above.

[NAME OF PLEDGOR]

By:
Name:
Title:

[NAME OF PLEDGEE]

By:
Name:
Title:

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Annex D

REGISTRATION RIGHTS AGREEMENT

dated as of

[ ],

among

GHL ACQUISITION CORP.

and

THE SHAREHOLDERS PARTY HERETO

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REGISTRATION RIGHTS AGREEMENT

AGREEMENT dated as of [ ] (this "Agreement") among GHL Acquisition Corp., a Delaware corporation (the "Parent"), and the Shareholders party hereto as listed on the signature pages (each a "Shareholder" and collectively the "Shareholders").

WHEREAS Parent, certain of the Shareholders and Iridium Holdings LLC are parties to the Transaction Agreement dated September 22, 2008 (the "Transaction Agreement") with respect to the purchase by Parent of the equity interests in Iridium Holdings LLC on the terms and subject to the conditions set out in the Transaction Agreement; and

WHEREAS Parent has agreed to grant certain registration rights to the Shareholders upon the closing of the transactions contemplated by the Transaction Agreement as provided herein.

NOW THEREFORE, in consideration for the mutual promises made herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1
Definitions

Section 1.01. Definitions. (a) The following terms, as used herein, have the following meanings:

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person, provided that no securityholder of Parent shall be deemed an Affiliate of any other securityholder solely by reason of any investment in Parent. For the purpose of this definition, the term "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Board" means the board of directors of Parent.

"Business Day" means any day except a Saturday, Sunday or other day on which commercial banks in New York City are authorized by law to close.

"Exchange Act" means the Securities Exchange Act of 1934.

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"FINRA" means the Financial Industry Regulatory Authority and any successor thereto.

"Initial Shareholders" means Greenhill & Co., Inc., _____, _____ and _____.

"Parent Securities" means (i) shares of capital stock or voting securities of Parent, (ii) securities of Parent convertible into or exchangeable for shares of capital stock or voting securities of Parent or (iii) options or other rights to acquire from Parent, or other obligation of Parent to issue, any capital stock, voting securities or securities convertible into or exchangeable for capital stock or voting securities of Parent.

"Person" means an individual, corporation, limited liability company, partnership, association, trust or other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

"Public Offering" means an underwritten public offering of Registrable Securities of Parent pursuant to the Shelf Registration Statement as amended or supplemented.

"Registrable Securities" means, the Parent Securities held as of the date hereof by the Shareholders and any other securities issued or issuable by Parent or any of its successors or assigns in respect of such Parent Securities by way of conversion, exchange, exercise, dividend, split, reverse split, combination, recapitalization, reclassification, merger, amalgamation, consolidation, sale of assets, other reorganization or otherwise until (i) a registration statement covering such Parent Securities or such other securities has been declared effective by the SEC and such Parent Securities or such other securities have been disposed of pursuant to such effective registration statement, or (ii) such Parent Securities or such other securities are sold under circumstances in which all of the applicable conditions of Rule 144 (or any similar provisions then in force) under the Securities Act are met.

"Registration Expenses" means any and all expenses incident to the performance of, or compliance with, any registration or marketing of securities, including all (i) registration and filing fees, and all other fees and expenses payable in connection with the listing of securities on any securities exchange or automated interdealer quotation system, (ii) fees and expenses of compliance with any securities or "blue sky" laws (including reasonable fees and disbursements of counsel in connection with "blue sky" qualifications of the securities registered), (iii) expenses in connection with the preparation, printing, mailing and delivery of the Shelf Registration Statement, prospectuses and other documents in connection therewith and any amendments or supplements thereto, (iv) security engraving and printing expenses, (v) internal expenses of Parent (including all salaries and

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expenses of its officers and employees performing legal or accounting duties), (vi) reasonable fees and disbursements of counsel for Parent and customary fees and expenses for independent certified public accountants retained by Parent (including the expenses relating to any comfort letters or costs associated with the delivery by independent certified public accountants of any comfort letters requested pursuant to Section 2.01(j), (vii) reasonable fees and expenses of any special experts retained by Parent in connection with such registration, (viii) reasonable fees, out-of-pocket costs and expenses of the Shareholders, including one counsel for all of the Shareholders selected by the Shareholders holding a majority of the Registrable Securities to be sold for the account of all Shareholders in the offering or included in the Shelf Registration Statement, (ix) fees and disbursements of underwriters customarily paid by issuers or sellers of securities, but excluding any underwriting fees, discounts and commissions attributable to the sale of Registrable Securities, (x) costs of printing and producing any agreements among underwriters, underwriting agreements, any "blue sky" or legal investment memoranda and any selling agreements and other documents in connection with the offering, sale or delivery of the Registrable Securities, (xi) transfer agents' and registrars' fees and expenses and the fees and expenses of any other agent or trustee appointed in connection with such offering, (xii) expenses relating to any analyst or investor presentations or any "road shows" undertaken in connection with the registration, marketing or selling of Registrable Securities, (xiii) all out-of pocket costs and expenses incurred by Parent or its appropriate officers in connection with their compliance with Section 2.01(o), and (xiv) fees and expenses in connection with any review by FINRA of the underwriting arrangements or other terms of the offering. Except as set forth in clause (viii) above, Registration Expenses shall not include any out-of-pocket expenses of the Shareholders (or the agents who manage their accounts).

"Rule 144" means Rule 144 (or any successor provisions) under the Securities Act.

"SEC" means the Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933.

"Transfer" means, with respect to any Parent Securities, (i) when used as a verb, to sell, assign, dispose of, exchange, pledge, encumber, hypothecate or otherwise transfer such Parent Securities or any participation or interest therein, whether directly or indirectly, or agree or commit to do any of the foregoing and (ii) when used as a noun, a direct or indirect sale, assignment, disposition, exchange, pledge, encumbrance, hypothecation, or other transfer of such Parent Securities or any participation or interest therein or any agreement or commitment to do any of the foregoing.

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(b) Each of the following terms is defined in the Section set forth opposite such term:

Term	Section
Agreement	Preamble
Parent	Preamble
Damages	3.01
Demand Takedown	2.01(b)
Effectiveness Period	2.01(a)
Indemnified Party	3.03
Indemnifying Party	3.03
Inspectors	2.01(h)
Maximum Offering Size	2.01(b)
Notice	5.02
Records	2.01(h)
Requesting Shareholder	2.01(b)
Selling Shareholders	2.01(b)
Shareholder	Preamble
Shelf Registration	2.01
Shelf Registration Statement	2.01
Transaction Agreement	Preamble
Underwritten Takedown	2.01(b)

(c) Capitalized terms used in this Agreement and not otherwise defined in this Agreement have the meanings specified in the Transaction Agreement.

Section 1.02. Other Definitional and Interpretative Provisions. The words “hereof”, “herein” and “hereunder” and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation”, whether or not they are in fact followed by those words or words of like import. “Writing”, “written” and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to a statute shall be to such statute, as amended from time to time, and to the rules and regulations promulgated thereunder. References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof. References to any Person include the successors and permitted assigns of that Person. References from or through any

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date mean, unless otherwise specified, from and including or through and including, respectively.

ARTICLE 2
Registration Rights

Section 2.01. Registration.

(a) As soon as reasonably practicable and with a view to such registration to become effective six months from the date hereof, Parent shall effect the registration of the Registrable Securities under a registration statement (the "Shelf Registration Statement") pursuant to Rule 415 under the Securities Act (or any successor rule) (the "Shelf Registration"). Parent shall use all reasonable best efforts to cause the Shelf Registration Statement to become and remain effective for so long as Shareholders hold Registrable Securities (the "Effectiveness Period") commencing on the first anniversary of the date hereof (or such shorter period in which all of the Registrable Securities shall have actually been sold).

(b) Parent shall not be required to effectuate any Public Offering prior to, or following the expiration of, the Effectiveness Period. During the Effectiveness Period, Parent shall only be required to effectuate one Public Offering from such Shelf Registration (an "Underwritten Takedown") within any six-month period, which offering may be requested by Shareholders then holding at least three million Registrable Securities. In connection with any such Underwritten Takedown:

(i) If Parent shall receive a request from Shareholders then holding at least three million Registrable Securities (the requesting Shareholder(s) shall be referred to herein as the "Requesting Shareholder") that Parent effect the Underwritten Takedown of all or any portion of the Requesting Shareholder's Registrable Securities, and specifying the intended method of disposition thereof, then Parent shall promptly give notice of such requested Underwritten Takedown (each such request shall be referred to herein as a "Demand Takedown") at least 10 Business Days prior to the anticipated filing date of the prospectus or supplement relating to such Demand Takedown to the other Shareholders and thereupon shall use its reasonable best efforts to effect, as expeditiously as possible, the offering in such Underwritten Takedown of:

(A) subject to the restrictions set forth in Section 2.01(b)(iii), all Registrable Securities for which the Requesting Shareholder has requested such offering under Section 2.01(b)(i), and

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(B) subject to the restrictions set forth in Section 2.01(b)(iii), all other Registrable Securities that any Shareholders (all such Shareholders, together with the Requesting Shareholder, the "Selling Shareholders") have requested Parent to offer by request received by Parent within 7 Business Days after such Shareholders receive Parent's notice of the Demand Takedown,

all to the extent necessary to permit the disposition (in accordance with the intended methods thereof as aforesaid) of the Registrable Securities so to be offered.

(ii) Promptly after the expiration of the 7-Business Day-period referred to in Section 2.01(b)(i)(B), Parent will notify all Selling Shareholders of the identities of the other Selling Shareholders and the number of shares of Registrable Securities requested to be included therein.

(iii) If the managing underwriter in an Underwritten Takedown advises Parent and the Requesting Shareholder that, in its view, the number of shares of Registrable Securities requested to be included in such Underwritten Offering exceeds the largest number of shares that can be sold without having an adverse effect on such offering, including the price at which such shares can be sold (the "Maximum Offering Size"), Parent shall include in such Underwritten Offering, up to the Maximum Offering Size, Registrable Securities requested to be included in such Underwritten Takedown by all Selling Shareholders and allocated pro rata among such Selling Shareholders on the basis of the relative number of Registrable Securities held by each such Selling Shareholders at such time.

(c) Parent shall be liable for and pay all Registration Expenses in connection with the Shelf Registration and any Underwritten Takedown.

(d) Prior to filing the Shelf Registration Statement or a prospectus or any amendment or supplement thereto (other than any report filed pursuant to the Exchange Act that is incorporated by reference therein), Parent shall, if requested, furnish to each Shareholder and each underwriter, if any, of the Registrable Securities covered by the Shelf Registration Statement, prospectus, amendment or supplement (as applicable) copies of the Shelf Registration Statement, prospectus, amendment or supplement as proposed to be filed, and thereafter Parent shall furnish to each Shareholder and underwriter, if any, such number of copies of such documents and other documents as such Shareholder or underwriter may reasonably request in order to facilitate the disposition of the Registrable Securities.

(e) After the filing of the Shelf Registration Statement, Parent shall (i) cause any related prospectus to be supplemented by any required prospectus

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supplement, and, as so supplemented, to be filed pursuant to Rule 424 under the Securities Act, (ii) comply with the provisions of the Securities Act with respect to the disposition of the Registrable Securities covered by the Shelf Registration Statement during the applicable period in accordance with the intended methods of disposition by the Shareholders thereof set forth in the Shelf Registration Statement or supplement to such prospectus and (iii) promptly notify each Shareholder holding Registrable Securities covered by the Shelf Registration Statement of the effectiveness of the Shelf Registration Statement and any stop order issued or threatened by the SEC or any state securities commission and take all reasonable actions required to prevent the entry of such stop order or to remove it if entered.

(f) The Parent shall use all reasonable best efforts to (i) register or qualify the Registrable Securities under such other securities or "blue sky" laws of such jurisdictions in the United States as any Shareholder holding such Registrable Securities reasonably (in light of such Shareholder's intended plan of distribution) requests and (ii) cause such Registrable Securities to be registered with or approved by such other governmental agencies or authorities as may be necessary by virtue of the business and operations of Parent and do any and all other acts and things that may be reasonably necessary or advisable to enable such Shareholder to consummate the disposition of the Registrable Securities owned by such Shareholder, provided that Parent shall not be required to (A) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this Section 2.01(f), (B) subject itself to taxation in any such jurisdiction or (C) consent to general service of process in any such jurisdiction.

(g) Parent shall immediately notify each Shareholder, at any time when a prospectus relating the Registrable Securities is required to be delivered under the Securities Act, of the occurrence of an event requiring the preparation of a supplement or amendment to such prospectus so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus will not contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading and promptly prepare and make available to each such Shareholder and file with the SEC any such supplement or amendment.

(h) Selling Shareholders holding a majority of the Registrable Securities requested to be sold in an Underwritten Takedown shall have the right to select an underwriter or underwriters in connection with such Underwritten Takedown, which underwriter or underwriters shall be reasonably acceptable to Parent. In connection with an Underwritten Takedown, Parent shall enter into customary agreements (including an underwriting agreement in customary form) and take such other actions as are reasonably required in order to expedite or facilitate the disposition of the Registrable Securities in such Underwritten Takedown,

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including the engagement of a "qualified independent underwriter" in connection with the qualification of the underwriting arrangements with FINRA.

(i) Upon execution of confidentiality agreements in form and substance reasonably satisfactory to Parent, Parent shall make available for inspection by any Shareholder and any underwriter participating in any disposition pursuant to the Shelf Registration Statement and any prospectus being filed by Parent pursuant to this Section 2.01 and any attorney, accountant or other professional retained by any such Shareholder or underwriter (collectively, the "Inspectors"), all financial and other records, pertinent corporate documents and properties of Parent (collectively, the "Records") as shall be reasonably necessary or desirable to enable them to exercise their due diligence responsibility, and cause Parent's officers, directors and employees to supply all information reasonably requested by any Inspectors in connection with the Shelf Registration Statement and any such prospectus. Records that Parent determines, in good faith, to be confidential and that it notifies the Inspectors are confidential shall not be disclosed by the Inspectors unless (i) the disclosure of such Records is necessary to avoid or correct a misstatement or omission in the Shelf Registration Statement or prospectus (as applicable) or (ii) the release of such Records is ordered pursuant to a subpoena or other order from a court of competent jurisdiction. Each Shareholder agrees that any non-public information obtained by it as a result of such inspections shall be deemed confidential and shall not be used by it or its Affiliates as the basis for any market transactions in the Parent Securities unless and until such information is made generally available to the public. Each Shareholder further agrees that, upon learning that disclosure of such Records is sought in a court of competent jurisdiction, it shall give notice to Parent and allow Parent, at its expense, to undertake appropriate action to prevent disclosure of the Records deemed confidential.

(j) The Parent shall use reasonable best efforts to furnish to each Shareholder participating in an Underwritten Offering and to each such underwriter, if any, a signed counterpart, addressed to such Shareholder or underwriter, of (i) an opinion or opinions of counsel to Parent and (ii) a comfort letter or comfort letters from Parent's independent public accountants, each in customary form and covering such matters of the kind customarily covered by opinions or comfort letters, as the case may be, as a majority of such Shareholders or the managing underwriter therefor reasonably requests.

(k) The Parent shall otherwise use all reasonable best efforts to comply with all applicable rules and regulations of the SEC, and make available to its security holders, as soon as reasonably practicable, an earnings statement or such other document covering a period of 12 months, beginning within three months after the effective date of the Shelf Registration Statement, which earnings statement satisfies the requirements of Rule 158 under the Securities Act.

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(l) The Parent may require each Shareholder promptly to furnish in writing to Parent such information regarding the distribution of the Registrable Securities as Parent may from time to time reasonably request and such other information as may be legally required in connection with the Shelf Registration.

(m) Each Shareholder agrees that, upon receipt of any notice from Parent of the happening of any event of the kind described in Section 2.01(g), such Shareholder shall forthwith discontinue disposition of Registrable Securities pursuant to the Shelf Registration Statement covering such Registrable Securities until such Shareholder's receipt of the copies of the supplemented or amended prospectus contemplated by Section 2.01(g), and, if so directed by Parent, such Shareholder shall deliver to Parent all copies, other than any permanent file copies then in such Shareholder's possession, of the most recent prospectus covering such Registrable Securities at the time of receipt of such notice. If Parent shall give such notice, Parent shall extend the period during which the Shelf Registration Statement shall be maintained effective (including the period referred to in Section 2.01(a)) by the number of days during the period from and including the date of the giving of notice pursuant to Section 2.01(g) to the date when Parent shall make available to such Shareholder a prospectus supplemented or amended to conform with the requirements of Section 2.01(g).

(n) The Parent shall use all reasonable best efforts to list all Registrable Securities on any securities exchange or quotation system on which any Parent Securities are then listed or traded.

(o) The Parent shall have appropriate officers of Parent (i) prepare and make presentations at any "road shows" and before analysts and (ii) otherwise use their reasonable efforts to cooperate as reasonably requested by the underwriters or the Shareholders in the offering, marketing or selling of the Registrable Securities.

Section 2.02 . Participation In Underwritten Takedown. No Shareholder may participate in an Underwritten Takedown hereunder unless such Shareholder (a) agrees to sell such Shareholder's Registrable Securities on the basis provided in any underwriting arrangements approved by the Persons entitled hereunder to approve such arrangements and (b) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements and the provisions of this Agreement in respect of registration rights.

Section 2.03 . Rule 144 Sales; Cooperation By Parent. (a) If any Shareholder shall transfer any Registrable Securities pursuant to Rule 144, Parent shall cooperate, to the extent commercially reasonable, with such Shareholder and shall provide to such Shareholder such information as such Shareholder shall reasonably request. Without limiting the foregoing:

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(b) Parent shall, at any time shares of Parent's capital stock are registered under the Securities Act or the Exchange Act, (i) make and keep available public information, as those terms are contemplated by Rule 144 under the Securities Act (or any successor or similar rule then in force); (ii) timely file with the SEC all reports and other documents required to be filed under the Securities Act and the Exchange Act; and (iii) furnish to each Shareholder forthwith upon request a written statement by Parent as to its compliance with the reporting requirements of the Securities Act and the Exchange Act, a copy of the most recent annual or quarterly report of Parent, and such other information as such Shareholder may reasonably request in order to avail itself of any rule or regulation of the SEC allowing such Shareholder to sell any Registrable Securities without registration.

Section 2.04. Piggyback Registrations.

(a) Whenever Parent proposes to register any of its equity securities (including any proposed registration of the Parent's securities by any third party) under the Securities Act (other than pursuant to a registration on Form S−4 or S−8 or any successor or similar forms), whether or not for sale for its own account, and the registration form to be used may be used for the registration of Registrable Securities (a "Piggyback Registration"), Parent shall give prompt written notice to all holders of Registrable Securities of its intention to effect such a registration (which notice shall be given at least 20 days prior to the date the applicable registration statement is to be filed) and, subject to Sections 2.04(c) and 2.04(d), shall include in such registration (and in all related registrations and qualifications under state blue sky laws or in compliance with other registration requirements and in any related underwriting) all Registrable Securities with respect to which Parent has received written requests for inclusion therein within 15 days after the receipt of Parent's notice. Notwithstanding the provisions of this Section 2.04(a) to the contrary, as long as Parent determines that such delay would not impair the ability of holders of Registrable Securities to participate in such registration (e.g., because the registration statement therefor is likely to be reviewed by the Securities and Exchange Commission and/or such offering will not be completed until at least 20 days after the registration statement therefor is filed), Parent may delay the notice of a Piggyback Registration until the day after the registration statement with respect to such Piggyback Registration is filed, in which case, subject to the remainder of this Section 2.04, Parent shall include in such registration (and in all related registrations and qualifications under state blue sky laws or in compliance with other registration requirements and in any related underwriting) all Registrable Securities with respect to which Parent has received written requests for inclusion therein within 15 days after the receipt of Parent's notice.

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(b) The Registration Expenses of the holders of Registrable Securities shall be paid by Parent in all Piggyback Registrations.

(c) If a Piggyback Registration is an underwritten primary registration on behalf of Parent, and the managing underwriter advises Parent that, in its view, the number of Registrable Securities requested to be included in such underwritten primary registration exceeds the largest number of shares that can be sold without having an adverse effect on such offering, including the price at which such shares can be sold, Parent shall include in such registration (i) first, the securities Parent proposes to sell, (ii) second, the Registrable Securities requested to be included in such registration, pro rata among the holders of such Registrable Securities on the basis of the amount of such securities owned by each such holder, and (iii) third, the other securities requested to be included in such registration pro rata among the holders of such securities on the basis of the amount of such securities shares owned by each such holder.

(d) If a Piggyback Registration is an underwritten secondary registration on behalf of holders of Parent's securities (a "Secondary Registration"), and the managing underwriter advises Parent that, the number of shares of Registrable Securities requested to be included in such Secondary Registration exceeds the largest number of shares that can be sold without having an adverse effect on such offering, including the price at which such shares can be sold, Parent shall include in such registration (i) first, except to the extent otherwise previously agreed to by holders of a majority of the Registrable Securities, the securities requested to be included therein by the holders requesting such registration, together with the Registrable Securities requested to be included in such registration, pro rata among the holders of such securities and Registrable Securities on the basis of the amount of such securities owned by each such holder, and (ii) second, other securities requested to be included in such registration pro rata among the holders of such securities on the basis of the amount of such securities owned by each such holder.

(e) If any Piggyback Registration is an underwritten offering, Parent will have the right to select the investment banker(s) and manager(s) for the offering.

(f) During such time as any holder of Registrable Securities may be engaged in a distribution of securities pursuant to an underwritten Piggyback Registration, such holder shall distribute such securities only under the registration statement and solely in the manner described in the registration statement.

(g) Parent shall have the right to terminate or withdraw any registration initiated by it under this Section 2.04, whether or not any holder of

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Registrable Securities has elected to include securities in such registration, without any liability to Parent, except that the Registration Expenses of such withdrawn registration shall be borne by Parent.

ARTICLE 3
Indemnification and Contribution

Section 3.01 . Indemnification by Parent. Parent agrees to indemnify and hold harmless each Shareholder beneficially owning any Registrable Securities covered by the Shelf Registration Statement, or any prospectus filed in connection with an Underwritten Takedown pursuant to the terms hereof, or any amendment or supplement thereto, its officers, directors, employees, partners and agents, and each Person, if any, who controls such Shareholder within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act from and against any and all losses, claims, damages, liabilities and expenses (including reasonable expenses of investigation and reasonable attorneys' fees and expenses) (collectively, "Damages") caused by or relating to any untrue statement or alleged untrue statement of a material fact contained in the Shelf Registration Statement or any such prospectus relating to the Registrable Securities (as amended or supplemented if Parent shall have furnished any amendments or supplements thereto), or caused by or relating to any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such Damages are caused by or related to any such untrue statement or omission or alleged untrue statement or omission so made based upon information furnished in writing to Parent by such Shareholder or on such Shareholder's behalf expressly for use therein. Parent also agrees to indemnify any underwriters of the Registrable Securities, their officers and directors and each Person who controls such underwriters within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act on substantially the same basis as that of the indemnification of the Shareholders provided in this Section 3.01.

Section 3.02 . Indemnification by Participating Shareholders. Each Shareholder holding Registrable Securities included in the Shelf Registration Statement, any prospectus filed in connection with an Underwritten Takedown pursuant to the terms hereof, or any supplement or amendment thereto agrees, severally but not jointly, to indemnify and hold harmless Parent, its officers, directors and agents and each Person, if any, who controls Parent within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the foregoing indemnity from Parent to such Shareholder, but only with respect to information furnished in writing by such Shareholder or on such Shareholder's behalf expressly for use in the Shelf Registration Statement or any such prospectus, or any amendment or supplement thereto. Each such Shareholder also agrees to indemnify and hold harmless

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underwriters of the Registrable Securities, their officers and directors and each Person who controls such underwriters within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act on substantially the same basis as that of the indemnification of Parent provided in this Section 3.02. As a condition to including Registrable Securities in the Shelf Registration Statement or any prospectus filed in connection with an Underwritten Takedown pursuant to the terms hereof, Parent may require that it shall have received an undertaking reasonably satisfactory to it from any underwriter to indemnify and hold it harmless to the extent customarily provided by underwriters with respect to similar securities. No Shareholder shall be liable under this Section 3.02 for any Damages in excess of the net proceeds realized by such Shareholder in the sale of Registrable Securities of such Shareholder to which such Damages relate.

Section 3.03 . Conduct of Indemnification Proceedings. If any proceeding (including any governmental investigation) shall be instituted involving any Person in respect of which indemnity may be sought pursuant to this Article 3, such Person (an "Indemnified Party") shall promptly notify the Person against whom such indemnity may be sought (the "Indemnifying Party") in writing and the Indemnifying Party shall assume the defense thereof, including the employment of counsel reasonably satisfactory to such Indemnified Party, and shall assume the payment of all fees and expenses, provided that the failure of any Indemnified Party so to notify the Indemnifying Party shall not relieve the Indemnifying Party of its obligations hereunder except to the extent that the Indemnifying Party is materially prejudiced by such failure to notify. In any such proceeding, any Indemnified Party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party unless (i) the Indemnifying Party and the Indemnified Party shall have mutually agreed to the retention of such counsel, (ii) in the reasonable judgment of such Indemnified Party representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them, including one or more defenses or counterclaims that are different from or in addition to those available to the Indemnifying Party, or (iii) the Indemnifying Party shall have failed to assume the defense within 30 days of notice pursuant to this Section 3.03. It is understood that, in connection with any proceeding or related proceedings in the same jurisdiction, the Indemnifying Party shall not be liable for the reasonable fees and expenses of more than one separate firm of attorneys (in addition to any local counsel) at any time for all such Indemnified Parties, and that all such fees and expenses shall be reimbursed as they are incurred. In the case of any such separate firm for the Indemnified Parties, such firm shall be designated in writing by the Indemnified Parties. The Indemnifying Party shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent, or if there be a final judgment for the plaintiff, the Indemnifying Party shall indemnify and hold harmless such Indemnified Parties from and against any loss or liability (to the

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extent stated above) by reason of such settlement or judgment. Without the prior written consent of the Indemnified Party, no Indemnifying Party shall effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Party is or could have been a party and indemnity could have been sought hereunder by such Indemnified Party, unless such settlement (A) includes an unconditional release of such Indemnified Party from all liability arising out of such proceeding, and (B) does not include any injunctive or other equitable or non-monetary relief applicable to or affecting such Indemnified Person.

Section 3.04 . Contribution. If the indemnification provided for in this Article 3 is unavailable to the Indemnified Parties in respect of any Damages, then each Indemnifying Party, in lieu of indemnifying the Indemnified Parties, shall contribute to the amount paid or payable by such Indemnified Party, in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and Indemnified Party in connection with the actions, statements or omissions that resulted in such Damages as well as any other relevant equitable considerations. The relative fault of such Indemnifying Party and Indemnified Party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission of a material fact, has been taken or made by, or relates to information supplied by, such Indemnifying Party or Indemnified Party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action, statement or omission. The amount paid or payable by a party as a result of any Damages shall be deemed to include, subject to the limitations set forth in this Agreement, any reasonable attorneys' or other reasonable fees or expenses incurred by such party in connection with any proceeding to the extent such party would have been indemnified for such fees or expenses if the indemnification provided for in this Article 3 was available to such party in accordance with its terms.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 3.04 were determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to in the immediately preceding paragraph. Notwithstanding the provisions of this Section 3.04, no Shareholder shall be required to contribute, in the aggregate, any amount in excess of the net proceeds actually received by such Shareholder from the sale of the Registrable Securities subject to the proceeding. Each Shareholder's obligation to contribute pursuant to this Section 3.03 is several in the proportion that the proceeds of the offering received by such Shareholder bears to the total proceeds of the offering received by all such Shareholders and not joint.

No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. The indemnity

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and contribution agreements contained in this Article 3 are in addition to any liability that the Indemnifying Parties may have to the Indemnified Parties.

Section 3.05 . Other Indemnification. Indemnification similar to that specified herein (with appropriate modifications) shall be given by Parent and each Shareholder participating therein with respect to any required registration or other qualification of securities under any foreign, federal or state law or regulation or governmental authority other than the Securities Act.

ARTICLE 4
Lock Up

Section 4.01 . Restriction on Shareholders. Except as provided in the next sentence, no Shareholder will, without the prior written consent of Parent (which consent may be withheld in its sole discretion), directly or indirectly, Transfer, offer, contract or grant any option to Transfer (including any short sale), pledge, transfer, establish an open "put equivalent position" or liquidate or decrease a "call equivalent position" within the meaning of Rule 16a-1(h) under the Exchange Act, or otherwise dispose of or Transfer (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition or Transfer of) any Parent Securities, currently or hereafter owned either of record or beneficially (as defined in Rule 13d-3 under the Exchange Act) by the undersigned, or publicly announce the undersigned's intention to do any of the foregoing, for a period commencing on the date hereof and continuing through to the first anniversary of the date hereof, provided that the Board may, in its sole discretion, at the request of any Requesting Shareholder, authorize an Underwritten Takedown at any time beginning six months following the date hereof. Each Shareholder may pledge up to 25% of its Parent Securities as collateral to secure cash borrowing from a third party financial institution, provided that such financial institution agrees in writing with Parent to be bound by the provisions of this Article 4 with respect to such Parent Securities.

ARTICLE 5
Miscellaneous

Section 5.01 . Binding Effect; Assignability; Benefit. (a) This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors, legal representatives and permitted assigns. Any Shareholder that ceases to own beneficially any Parent Securities shall cease to be bound by the terms hereof (other than (i) the provisions of Article 3 applicable to such Shareholder with respect to any offering of Registrable Securities completed before the date such Shareholder ceased to own any Parent Securities and (ii) this Article 5).

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(b) Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by any party hereto, except pursuant to any permitted Transfer of Parent Securities.

(c) Nothing in this Agreement, expressed or implied, is intended to confer on any Person other than the parties hereto, and their respective heirs, successors, legal representatives and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

Section 5.02 . Notices. All notices, requests and other communications (each, a "Notice") to any party shall be in writing and shall be delivered in person, mailed by certified or registered mail, return receipt requested, or sent by facsimile transmission,

if to Parent to:

[ ]

with a copy to:

[ ]

if to any Shareholder, at the address for such Shareholder listed on the signature pages below or otherwise provided to Parent as set forth below.

Any Notice shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a Business Day in the place of receipt. Otherwise, such Notice shall be deemed not to have been received until the next succeeding Business Day in the place of receipt. Any Notice sent by facsimile transmission also shall be confirmed by certified or registered mail, return receipt requested, posted within one Business Day, or by personal delivery, whether courier or otherwise, made within two Business Days after the date of such facsimile transmission.

Any Person that becomes a Shareholder after the date hereof shall provide its address and fax number to Parent.

Section 5.03 . Waiver; Amendment; Termination. No provision of this Agreement may be waived except by an instrument in writing executed by the party against whom the waiver is to be effective. No provision of this Agreement may be amended or otherwise modified except by an instrument in writing executed by Parent, the Initial Holders (so long as they, collectively, hold at least 10% of their initial Registrable Securities), Syndicated Communications, Inc. (so long as it holds at least 10% of its initial Registrable Securities), Syndicated Communications Venture Partners IV, L.P. (so long as it holds at least 10% of its

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initial Registrable Securities), Baralonco N.V. (so long as it holds at least 10% of its initial Registrable Securities) and the holders of at least 51% of the Registrable Securities held by the parties hereto at the time of such proposed amendment or modification. This Agreement may be terminated by an instrument in writing executed by Parent, the Initial Holders (so long as they, collectively, hold at least 10% of their initial Registrable Securities), Syndicated Communications, Inc. (so long as it holds at least 10% of its initial Registrable Securities), Syndicated Communications Venture Partners IV, L.P. (so long as it holds at least 10% of its initial Registrable Securities), Baralonco N.V. (so long as it holds at least 10% of its initial Registrable Securities) and the holders of at least 51% of the Registrable Securities held by the parties hereto at the time of such proposed termination. Except for the indemnification provisions set forth in Article 3, this Agreement shall terminate as to any Shareholder at such time as such Shareholder ceases to own any Registrable Securities.

Section 5.04 . Governing Law. This Agreement shall be governed by and construed in accordance with the law of the State of Delaware, without regard to the conflicts of law rules of such state.

Section 5.05 . Jurisdiction. The parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in any federal court located in the State of Delaware or any Delaware state court, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each party agrees that service of process on such party as provided in Section 5.02 shall be deemed effective service of process on such party.

Section 5.06 . WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 5.07 . Specific Enforcement. Each party hereto acknowledges that the remedies at law of the other parties for a breach or threatened breach of this Agreement would be inadequate and, in recognition of this fact, any party to this Agreement, without posting any bond or furnishing other security, and in addition

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to all other remedies that may be available, shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy that may then be available.

Section 5.08 . Counterparts; Effectiveness. This Agreement may be executed (including by facsimile transmission) with counterpart signature pages or in any number of counterparts, each of which shall be deemed to be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each party hereto shall have executed and delivered this Agreement. Until and unless each party has executed and delivered this Agreement, this Agreement shall have no effect and no party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication).

Section 5.09 . Entire Agreement. This Agreement constitutes the entire agreement and understanding among the parties hereto and supersedes all prior and contemporaneous agreements and understandings, both oral and written, among the parties hereto with respect to the subject matter hereof (including that certain Registration Rights Agreement, dated as of ____, 2008, by and among Parent, Greenhill & Co., Inc. and the other Initial Shareholders, which is hereby terminated in its entirety).

Section 5.10 . Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such a determination, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner so that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

[Signature page follows.]

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IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement or have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

GHL ACQUISITION CORP.

By:
Name:
Title:

By:
Name:
Title:

GREENHILL & CO, INC.

By:
Name:
Title:

[Insert each Shareholder Name]

By:
Name:
Title:

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Annex E

2009 IRIDIUM COMMUNICATIONS INC.
STOCK INCENTIVE PLAN

1. Purpose of the Plan

The purpose of this 2009 Iridium Communications Inc. Stock Incentive Plan (the "Plan") is to aid Iridium Communications Inc. (the "Company") and its Affiliates in recruiting and retaining key employees, directors and other service providers and to motivate such persons to exert their best efforts on behalf of the Company and its Affiliates by providing incentives through the granting of Awards. The Company expects that it will benefit from the added interest which such key employees, directors or consultants will have in the welfare of the Company as a result of their proprietary interest in the Company's success.

2. Definitions

The following capitalized terms used in the Plan have the respective meanings set forth in this Section:

(a) Act: The Securities Exchange Act of 1934, as amended, or any successor thereto.

(b) Affiliate: With respect to the Company, any entity directly or indirectly controlling, controlled by, or under common control with, the Company or any other entity designated by the Board in which the Company or an Affiliate has an interest.

(c) Award: An Option, Stock Appreciation Right or Other Stock-Based Award granted pursuant to the Plan.

(d) Beneficial Owner: A "beneficial owner", as such term is defined in Rule 13d-3 under the Act (or any successor rule thereto).

(e) Board: The Board of Directors of the Company.

(f) Change in Control: The occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) the sale or disposition, in one or a series of related transactions, of all or substantially all, of the assets of the Company and its Subsidiaries, taken as a whole, to any "person" or "group" (as such terms are used for purposes of Sections 13(d)(3) and 14(d)(2) of the Act) other than the Permitted Holders;

(ii) any person or group, other than the Permitted Holders, is or becomes the Beneficial Owner (except that a person shall be deemed to have "beneficial ownership" of all shares that any such person has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 50% of the total voting power of the voting stock of the Company (or any entity which controls the Company), including by way of merger, consolidation, tender or exchange offer or otherwise;

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(iii) a reorganization, recapitalization, merger or consolidation (a "Corporate Transaction") involving the Company, unless securities representing 50% or more of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors of the Company or the corporation resulting from such Corporate Transaction (or the parent of such corporation) are held subsequent to such transaction by the person or persons who were the Beneficial Owners of the outstanding voting securities entitled to vote generally in the election of directors of the Company immediately prior to such Corporate Transaction, in substantially the same proportions as their ownership immediately prior to such Corporate Transaction; or

(iv) during any period of 12 months, individuals who at the beginning of such period constituted the Board (together with any new directors whose election by such Board or whose nomination for election by the stockholders of the Company was approved by a vote of a majority of the directors of the Company, then still in office, who were either directors at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the Board, then in office.

(g) Code: The Internal Revenue Code of 1986, as amended, or any successor thereto.

(h) Committee: The Compensation Committee of the Board (or a subcommittee thereof), or such other committee of the Board (including, without limitation, the full Board) to which the Board has delegated power to act under or pursuant to the provisions of the Plan.

(i) Company: Iridium Communications Inc., a Delaware corporation.

(j) Effective Date: The date the Board approves the Plan, or such later date as is designated by the Board.

(k) Employment: The term "Employment" as used herein shall be deemed to refer to (i) a Participant's employment if the Participant is an employee of the Company or any of its Affiliates, (ii) a Participant's services as a consultant, if the Participant is consultant to the Company or its Affiliates or (iii) a Participant's services as an non-employee director, if the Participant is a non-employee member of the Board or the board of directors (or equivalent governing body) of any Affiliate.

(l) Employment Agreement: The employment agreement, if any, specifying the terms of a Participant's employment by the Company or one of its Affiliates.

(m) Fair Market Value: As of any date, the value of a Share determined as follows: (i) if there should be a public market for the Shares on such date, the closing price of the Shares as reported on such date on the Composite Tape of the principal national securities exchange on which such Shares are listed or admitted to trading, or, if the Shares are not listed or admitted on any national securities exchange, the arithmetic mean of the per Share closing bid price and per Share closing asked price on such date as quoted on the National Association of Securities Dealers Automated Quotation System (or such market in which such prices are regularly quoted)(the "NASDAQ"), or, if no sale of Shares shall have been reported on the Composite Tape of any national securities exchange or quoted on the NASDAQ on such date, then the immediately preceding date on which sales of the Shares have been so reported or quoted shall be used, and (ii) if there should not be a public market for the Shares on such date, the Fair Market Value shall be the value established by the Committee in good faith.

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(n) ISO: An Option that is intended to qualify as an incentive stock option within the meaning of Section 422 of the Code and the regulations promulgated thereunder, as amended from time to time.

(o) Option: A stock option granted pursuant to Section 6 of the Plan.

(p) Option Price: The purchase price per Share of an Option, as determined pursuant to Section 6(a) of this Plan.

(q) Other Stock-Based Awards: Awards granted pursuant to Section 8 of the Plan.

(r) Participant: An employee, director or other service provider who is selected by the Committee to participate in the Plan and receives an Award hereunder.

(s) Permitted Holder means, as of the date of determination, any and all of an employee benefit plan (or trust forming a part thereof) maintained by (A) the Company or any Subsidiary or (B) any corporation or other Person of which a majority of its voting power of its voting equity securities or equity interest is owned, directly or indirectly, by the Company.

(t) Performance-Based Awards: Certain Other Stock-Based Awards granted pursuant to Section 8(b) of the Plan.

(u) Person: A “person”, as such term is used for purposes of Section 13(d) or 14(d) of the Act (or any successor section thereto).

(v) Plan: This 2009 Iridium Communications Inc. Stock Incentive Plan, as amended from time to time.

(w) Shares: The shares of the common stock, $0.001 par value, of the Company.

(x) Stock Appreciation Right: A stock appreciation right granted pursuant to Section 7 of the Plan.

(y) Subsidiary: With respect to the Company, any entity that is a subsidiary corporation thereof, as defined in Section 424(f) of the Code (or any successor section thereto).

3. Shares Subject to the Plan and Participation

Subject to Section 9, the total number of Shares which may be issued under the Plan is 8,000,000 (which is also the maximum number of Shares for which ISOs may be granted). Additionally, subject to Section 9, the maximum number of Shares for which Options and Stock Appreciation Rights (or other Awards under Section 8(b)) may be granted during a calendar year to any Participant shall be 2,000,000. The Shares may consist, in whole or in part, of unissued Shares or treasury Shares. The issuance of Shares or the payment of cash upon the exercise of an Award or in consideration of the cancellation or termination of an Award shall reduce the total number of Shares available under the Plan, as applicable. Shares which are subject to Awards which terminate or lapse without the payment of consideration may be granted again under the Plan.

Employees, directors and other service providers of the Company and its Affiliates shall be eligible to be selected to receive Awards under this Plan; provided, that ISOs may only be granted to employees of the Company and its Subsidiaries.

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4. Administration

This Plan shall be administered by the Committee, which may delegate its duties and powers in whole or in part to any subcommittee thereof consisting solely of at least two individuals who are intended to qualify as "non-employee directors" within the meaning of Rule 16b-3 under the Act or any successor rule thereto, "independent directors" within the meaning of the listed company rules of the principal national securities exchange on which the Shares are listed or admitted to trading and "outside directors" within the meaning of Section 162(m) of the Code or any successor section thereto ("Eligible Directors"). Additionally, the Committee may delegate the authority to grant Awards under the Plan to any employee or group of employees of the Company or an Affiliate; provided that Awards to Participants who are subject to Section 16 of the Act and/or Section 162(m) of the Code shall only be made by the Committee (if the Committee consists solely of at least two Eligible Directors) or by a subcommittee consisting solely of at least two Eligible Directors; provided, further, that such delegation and grants are consistent with applicable law and guidelines established by the Board from time to time. Awards may, in the discretion of the Committee, be made under the Plan in assumption of, or in substitution for, outstanding awards previously granted by the Company or its Affiliates or any entity acquired by the Company or with which the Company combines. The number of Shares underlying such substitute awards shall be counted against the aggregate number of Shares available for Awards under the Plan. Subject to Section 13, the Committee is authorized to interpret the Plan, to establish, amend and rescind any rules and regulations relating to the Plan, and to make any other determinations that it deems necessary or desirable for the administration of the Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan in the manner and to the extent the Committee deems necessary or desirable. Any decision of the Committee in the interpretation and administration of the Plan, as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Participants and their beneficiaries or successors). The Committee shall have the full power and authority to establish the terms and conditions of any Award consistent with the provisions of the Plan and to waive any such terms and conditions at any time (including, without limitation, accelerating or waiving any vesting conditions). The Committee shall require payment of any amount it may determine to be necessary to withhold for federal, state, local or other taxes as a result of the exercise, grant or vesting of an Award (including, without limitation, any applicable income, employment and social security taxes or contributions). To the extent permitted by the Committee in the applicable Award agreement or otherwise and, in each case, as permitted by applicable local law, a Participant may elect to pay a portion or all of such withholding taxes by (a) the delivery of Shares (which are not subject to any pledge or other security interest owned by the Participant having a Fair Market Value equal to such withholding liability; provided, that such Shares have been held by the Participant for no less than six months (or such other period as established from time to time by the Committee in order to avoid adverse accounting treatment applying generally accepted accounting principles) or (b) by having the Company withhold from the number of Shares otherwise issuable or deliverable pursuant to the exercise or settlement of the Award a number of shares with a Fair Market Value equal to such withholding liability (but no more than the minimum required statutory withholding liability).

5. Limitations

No Award may be granted under this Plan after the tenth anniversary of the Effective Date, but Awards theretofore granted may extend beyond such date.

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6. Terms and Conditions of Options

Options granted under this Plan shall be, as determined by the Committee, non-qualified or incentive stock options for federal income tax purposes, as evidenced by the applicable Award agreement, and shall be subject to the foregoing and the following terms and conditions and to such other terms and conditions, not inconsistent therewith, as the Committee shall determine:

(a) Option Price. The Option Price per Share shall be determined by the Committee, but shall not be less than 100% of the Fair Market Value of a Share on the date an Option is granted (other than in the case of Options granted in substitution of previously granted awards, as described in Section 4 hereof).

(b) Exercisability. Options granted under this Plan shall be exercisable at such time and upon such terms and conditions as may be determined by the Committee, but in no event shall an Option be exercisable more than ten years after the date it is granted.

(c) Exercise of Options. Except as otherwise provided in this Plan or in the applicable Award agreement, an Option may be exercised for all, or from time to time any part, of the Shares for which it is then exercisable. For purposes of this Section 6, the exercise date of an Option shall be the later of the date a notice of exercise is received by the Company and, if applicable, the date payment is received by the Company pursuant to clauses (i) or (ii) of the following sentence. The purchase price for the Shares as to which an Option is exercised shall be paid to the Company as designated by the Committee, pursuant to one or more of the following methods: (i) in cash or its equivalent (e.g., by check or wire transfer) or (ii) by such other method as the Committee in its sole discretion may permit either in the applicable Award agreement or otherwise, including without limitation, (A) in Shares having a Fair Market Value equal to the aggregate Option Price for the Shares being purchased that are not subject to any pledge or other security interest and satisfy such other requirements as may be imposed by the Committee; provided, that such Shares have been held by the Participant for no less than six months (or such other period as established from time to time by the Committee in order to avoid adverse accounting treatment applying generally accepted accounting principles), (B) partly in cash and partly in such Shares, (C) if there is a public market for the Shares at such time, through the delivery of irrevocable instructions to a broker to sell Shares obtained upon the exercise of the Option and to deliver promptly to the Company an amount out of the proceeds of such Sale equal to the aggregate Option Price for the Shares being purchased and applicable withholdings or (D) through net settlement in Shares. No Participant shall have any rights to dividends or other rights of a stockholder with respect to Shares subject to an Option until the Participant has given written notice of exercise of the Option, paid in full for such Shares and, if applicable, has satisfied any other conditions imposed by the Committee pursuant to this Plan.

(d) ISOs. The Committee may grant Options under the Plan that are intended to be ISOs. Such ISOs shall comply with the requirements of Section 422 of the Code (or any successor section thereto). No ISO may be granted to any Participant who at the time of such grant, owns more than ten percent of the total combined voting power of all classes of stock of the Company or of any Subsidiary, unless (i) the Option Price for such ISO is at least 110% of the Fair Market Value of a Share on the date the ISO is granted and (ii) the date on which such ISO terminates is a date not later than the day preceding the fifth anniversary of the date on which the ISO is granted. The documentation evidencing an ISO shall provide that any Participant who disposes of Shares acquired upon the exercise of an ISO either (i) within two years after the date of grant of such ISO or (ii) within one year after the transfer of such Shares to

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the Participant, shall promptly notify the Company of such disposition and of the amount realized upon such disposition. All Options granted under the Plan are intended to be nonqualified stock options, unless the applicable Award agreement expressly states that the Option is intended to be an ISO. If an Option is intended to be an ISO, and if for any reason such Option (or portion thereof) shall not qualify as an ISO, then, to the extent of such nonqualification, such Option (or portion thereof) shall be regarded as a nonqualified stock option granted under this Plan; provided, that such Option (or portion thereof) otherwise complies with this Plan's requirements relating to nonqualified stock options. In no event shall any member of the Committee, the Company or any of its Affiliates (or their respective employees, officers or directors) have any liability to any Participant (or any other Person) due to the failure of an Option to qualify for any reason as an ISO.

(e) Attestation. Wherever in this Plan or any Award agreement a Participant is permitted to pay the exercise price of an Option or taxes relating to the exercise of an Option by delivering Shares, the Participant may, subject to procedures satisfactory to the Committee, satisfy such delivery requirement by presenting proof of beneficial ownership of such Shares, in which case the Company shall treat the Option as exercised without further payment and/or shall withhold such number of Shares from the Shares acquired by the exercise of the Option, as appropriate.

7. Terms and Conditions of Stock Appreciation Rights

(a) Grants. The Committee may grant (i) a Stock Appreciation Right independent of an Option or (ii) a Stock Appreciation Right in connection with an Option, or a portion thereof. A Stock Appreciation Right granted pursuant to clause (ii) of the preceding sentence (A) may be granted at the time the related Option is granted or at any time prior to the exercise or cancellation of the related Option, (B) shall cover the same number of Shares covered by an Option (or such lesser number of Shares as the Committee may determine) and (C) shall be subject to the same terms and conditions as such Option except for such additional limitations as are contemplated by this Section 7 (or such additional limitations as may be included in the applicable Award agreement).

(b) Terms. The exercise price per Share of a Stock Appreciation Right shall be an amount determined by the Committee but in no event shall such amount be less than the Fair Market Value of a Share on the date the Stock Appreciation Right is granted (other than in the case of Stock Appreciation Rights granted in substitution of previously granted awards, as described in Section 4); provided, however, that in the case of a Stock Appreciation Right granted in conjunction with an Option, or a portion thereof, the exercise price may not be less than the Option Price of the related Option. Each Stock Appreciation Right granted independent of an Option shall entitle a Participant upon exercise to an amount equal to (i) the excess of (A) the Fair Market Value on the exercise date of one Share over (B) the exercise price per Share, times (ii) the number of Shares covered by the Stock Appreciation Right. Each Stock Appreciation Right granted in conjunction with an Option, or a portion thereof, shall entitle a Participant to surrender to the Company the unexercised Option, or any portion thereof, and to receive from the Company in exchange therefore an amount equal to (i) the excess of (A) the Fair Market Value on the exercise date of one Share over (B) the Option Price per Share, times (ii) the number of Shares covered by the Option, or portion thereof, which is surrendered. Payment shall be made in Shares or in cash, or partly in Shares and partly in cash (any such Shares valued at such Fair Market Value), all as shall be determined by the Committee. Stock Appreciation Rights may be exercised from time to time upon actual receipt by the Company of

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written notice of exercise stating the number of Shares with respect to which the Stock Appreciation Right is being exercised. The date a notice of exercise is received by the Company shall be the exercise date. No fractional Shares will be issued in payment for Stock Appreciation Rights, but instead cash will be paid for a fraction or, if the Committee should so determine, the number of Shares will be rounded downward to the next whole Share.

(c) Limitations. The Committee may impose, in its discretion, such conditions upon the exercisability of Stock Appreciation Rights as it may deem fit, but in no event shall a Stock Appreciation Right be exercisable more than ten years after the date it is granted.

8. Other Stock-Based Awards

(a) Generally. The Committee, in its sole discretion, may grant or sell Awards of Shares, Awards of restricted Shares and Awards that are valued in whole or in part by reference to, or are otherwise based on the Fair Market Value of, Shares ("Other Stock-Based Awards"). Such Other Stock-Based Awards shall be in such form, and dependent on such conditions, as the Committee shall determine, including, without limitation, the right to receive, or vest with respect to, one or more Shares (or the equivalent cash value of such shares) upon the completion of a specified period of service, the occurrence of an event and/or the attainment of performance objectives. Other Stock-Based Awards may be granted alone or in addition to any other Stock Awards granted under the Plan. Subject to the provisions of the Plan, the Committee shall determine to whom and when Other Stock-Based Awards will be made; the number of Shares to be awarded under (or otherwise related to) such Other Stock-Based Awards; whether such Other Stock-Based Awards shall be settled in cash, Shares or a combination of cash and Shares; and all other terms and conditions of such Awards (including, without limitation, the vesting provisions thereof and provisions ensuring that all Shares so awarded and issued shall be fully paid and non-assessable).

(b) Performance-Based Awards. Notwithstanding anything to the contrary herein, certain Other Stock-Based Awards granted under this Section 8 may be granted in a manner which is intended to be deductible by the Company under Section 162(m) of the Code (or any successor section thereto) ("Performance-Based Awards"). A Participant's Performance-Based Award shall be determined based on the attainment of written performance goals approved by the Committee for a performance period established by the Committee (i) while the outcome for that performance period is substantially uncertain and (ii) no more than 90 days after the commencement of the performance period to which the performance goal relates or, if less, the number of days which is equal to twenty-five percent (25%) of the relevant performance period. The performance goals, which must be objective, shall be based upon one or more of the following criteria: (i) consolidated earnings before or after taxes (including earnings before interest, taxes, depreciation and amortization); (ii) net income; (iii) operating income; (iv) earnings per Share; (v) book value per Share; (vi) return on stockholders' equity; (vii) expense management; (viii) return on investment; (ix) improvements in capital structure; (x) profitability of an identifiable business unit or product; (xi) maintenance or improvement of profit margins; (xii) stock price; (xiii) market share; (xiv) revenues or sales; (xv) costs; (xvi) cash flow; (xvii) working capital (xviii) return on assets, (xix) total stockholder return, (xx) capital expenditures and (xxi) progress toward or attaining milestones on key projects. The foregoing criteria may relate to the Company, one or more of its Affiliates or one or more of its or their divisions or units, or any combination of the foregoing, and may be applied on an absolute basis and/or be relative to one or more peer group companies or indices, or any combination thereof, all as the Committee shall determine. In addition, to the degree consistent with Section 162(m) of the

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Code (or any successor section thereto), the performance goals may be calculated without regard to extraordinary items. The maximum amount of a Performance-Based Award during a calendar year to any Participant shall be: (x) with respect to Performance-Based Awards that are denominated in Shares, 2,000,000 Shares and (y) with respect to Performance-Based Awards that are not denominated in Shares, $2,000,000. The Committee shall determine whether, with respect to a performance period, the applicable performance goals have been met with respect to a given Participant and, if they have, shall so certify and ascertain the amount of the applicable Performance-Based Award. No Performance-Based Awards will be paid for such performance period until such certification is made by the Committee. The amount of the Performance-Based Award actually paid to a given Participant may be less than the amount determined by the applicable performance goal formula, at the discretion of the Committee. The amount of the Performance-Based Award determined by the Committee for a performance period shall be paid to the Participant at such time as determined by the Committee in its sole discretion after the end of such performance period; provided, however, that a Participant may, if and to the extent permitted by the Committee and consistent with the provisions of Sections 162(m) and 409A of the Code, elect to defer payment of a Performance-Based Award.

9. Adjustments Upon Certain Events

Notwithstanding any other provision in this Plan to the contrary, the following provisions shall apply to all Awards granted hereunder:

(a) Generally. In the event of any change in the outstanding Shares after the Effective Date by reason of any Share dividend or split, reorganization, recapitalization, merger, consolidation, spin-off, combination, transaction or exchange of Shares or other corporate exchange, or any distribution to stockholders of Shares other than regular cash dividends or any transaction similar to the foregoing, the Committee in its sole discretion and without liability to any person shall make such substitution or adjustment, if any, as it deems to be equitable (subject to Section 17), as to (i) the number or kind of Shares or other securities issued or reserved for issuance pursuant to the Plan or pursuant to outstanding Awards, (ii) the maximum number of Shares for which Options or Stock Appreciation Rights may be granted during a calendar year to any Participant (iii) the maximum amount of a Performance-Based Award that may be granted during a calendar year to any Participant, (iv) the Option Price or exercise price of any stock appreciation right and/or (v) any other affected terms of such Awards. For the avoidance of doubt, in the case of any "equity restructuring" (within the meaning of the Financial Accounting Standards Board Statement of Financial Accounting Standards No. 123 (revised 2004)), the Committee shall make an adjustment to outstanding Awards to reflect such equity restructuring, which adjustment shall be made in such manner as the Committee, acting in good faith, in its sole discretion determines to be equitable.

(b) Change in Control. In the event of a Change in Control after the Effective Date, the Committee may (subject to Section 17), but shall not be obligated to, (i) accelerate, vest or cause the restrictions to lapse with respect to all or any portion of an Award, (ii) cancel such Awards for fair value (as determined by the Committee in its sole discretion) which, in the case of Options and Stock Appreciation Rights, may equal the excess, if any, of value of the consideration to be paid in the Change in Control transaction to holders of the same number of Shares subject to such Options or Stock Appreciation Rights (or, if no consideration is paid in any such transaction, the Fair Market Value of the Shares subject to such Options or Stock Appreciation Rights) over the aggregate Option Price of such Options or exercise price of such Stock Appreciation Rights, (iii) provide for the issuance of substitute Awards that will

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substantially preserve the otherwise applicable terms of any affected Awards previously granted hereunder as determined by the Committee in its sole discretion, and/or (iv) provide that for a period of at least 15 days prior to the Change in Control, such Options shall be exercisable as to all Shares subject thereto and that upon the occurrence of the Change in Control, such Options shall terminate and be of no further force and effect.

10. No Right to Employment or Awards

The granting of an Award under the Plan shall impose no obligation on the Company or any Affiliate to continue the Employment of a Participant and shall not lessen or affect the Company's or any Affiliate's right to terminate the Employment of such Participant. No Participant or other Person shall have any claim to be granted any Award, and there is no obligation for uniformity of treatment of Participants, or holders or beneficiaries of Awards. The terms and conditions of Awards and the Committee's determinations and interpretations with respect thereto need not be the same with respect to each Participant (whether or not such Participants are similarly situated). In addition, except as otherwise provided in a Participant's Employment Agreement, under no circumstances will any Participant ceasing to be an employee or other service provider to the Company or any of its Affiliates, as applicable, be entitled to any compensation for any loss of any right or benefit or prospective right or benefit under the Plan which such Participant might otherwise have enjoyed whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for loss of office or otherwise. By accepting an Award under the Plan, each Participant acknowledges and agrees that any Award such Participant has been awarded under the Plan and any other Awards the Participant may be granted in the future, even if such Awards are made repeatedly or regularly, and regardless of their amount, (i) are wholly discretionary, are not a term or condition of Employment and do not form part of a contract of Employment, or any other working arrangement, between the Participant and the Company or any of its Affiliates, (ii) do no create any contractual entitlement to receive future Awards or to continued Employment, and (iii) do not form part of salary or remuneration for purposes of determining pension payments or any other purposes, including, without limitation, termination indemnities, severance, resignation, redundancy, bonuses, long-term service awards, pension or retirement benefits, or similar payments, except as otherwise required by applicable law or as otherwise provided in a Participant's Employment Agreement.

11. Successors and Assigns

This Plan shall be binding on all successors and assigns of the Company and each Participant, including without limitation, the estate of each such Participant and the executor, administrator or trustee of any such estate, and, if applicable, any receiver or trustee in bankruptcy or representative of the creditors of any such Participant.

12. Nontransferability of Awards

Unless expressly permitted by the Committee in an Award agreement or otherwise in writing and, in each case to the extent permitted by applicable local law, an Award shall not be transferable or assignable by the applicable Participant other than by will or by the laws of descent and distribution. An Award exercisable after the death of a Participant may be exercised by the legatees, personal representatives or distributees of the Participant.

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13. Amendments or Termination

The Board may amend, alter or discontinue the Plan, but no amendment, alteration or discontinuation shall be made, (a) without the approval of the stockholders of the Company, if (i) such approval is required to comply with the rules of any stock exchange on which the Shares are then listed or applicable law, or (ii) such action would (except as is provided in Section 9 of the Plan), increase the total number of Shares reserved for the purposes of the Plan or change the maximum number of Shares for which Awards may be granted to any Participant or (b) without the consent of a Participant, if such action would materially adversely affect any of the rights of the Participant under any Award theretofore granted to such Participant under the Plan; provided, however, that the Committee may amend the Plan in such manner as it deems necessary to permit the granting of Awards meeting the requirements of the Code or other applicable laws (including, without limitation, to avoid adverse tax consequences to the Company or to Participants).

Without limiting the generality of the foregoing, to the extent applicable, notwithstanding anything herein to the contrary, this Plan and Awards issued hereunder shall be interpreted in accordance with Section 409A of the Code and Department of Treasury regulations and other interpretative guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the Effective Date. Notwithstanding any provision of the Plan to the contrary, in the event that the Committee determines that any amounts payable hereunder will be taxable to a Participant under Section 409A of the Code and related Department of Treasury guidance prior to payment to such Participant of such amount, the Company may (a) adopt such amendments to the Plan and Awards and appropriate policies and procedures, including amendments and policies with retroactive effect, that the Committee determines necessary or appropriate to preserve the intended tax treatment of the benefits provided by the Plan and Awards hereunder and/or (b) take such other actions as the Committee determines necessary or appropriate to avoid the imposition of an additional tax under Section 409A of the Code.

14. International Participants

With respect to Participants who reside or work outside the United States of America and who are not (and who are not expected to be) “covered employees” within the meaning of Section 162(m) of the Code, the Committee may, in its sole discretion, amend the terms of the Plan and/or Awards with respect to such Participants in order to conform such terms with the requirements of local law and/or to make such changes as are necessary or beneficial to the Company, its Affiliates and/or the Participants.

15. Choice of Law

This Plan and the Awards granted hereunder shall be governed by and construed in accordance with the internal laws of the State of Delaware applicable to contracts made and performed wholly within the State of Delaware, without giving effect to the conflict of laws provisions thereof.

16. Effectiveness of the Plan

This Plan shall be effective as of the Effective Date, subject to the approval of the stockholders of the Company.

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17. Section 409A

Notwithstanding other provisions of this Plan or any Award agreements hereunder, no Award shall be granted, deferred, accelerated, extended, paid out or modified under this Plan in a manner that would result in the imposition of an additional tax under Section 409A of the Code upon a Participant. In the event that it is reasonably determined by the Committee that, as a result of Section 409A of the Code, payments in respect of any Award under the Plan may not be made at the time contemplated by the terms of the Plan or the relevant Award agreement, as the case may be, without causing the Participant holding such Award to be subject to taxation under Section 409A of the Code, the Company will make such payment on the first day that would not result in the Participant incurring any tax liability under Section 409A of the Code. The Company shall use commercially reasonable efforts to implement the provisions of this Section 17 in good faith; provided, that neither the Company, the Committee nor any of the Company's employees, directors or representatives shall have any liability to any Participant with respect to this Section 17.

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Annex F

DUFF & PHELPS, LLC • 55 EAST 52nd STREET, 31st FLOOR • NEW YORK, NY 10055 • TEL 212-871-2000 • FAX 212-277-0716

September 22, 2008

Board of Directors
GHL Acquisition Corp.
300 Park Avenue 23rd Floor
New York, New York 10022

Dear Directors:

The Board of Directors of GHL Acquisition Corp. (the "Company") has engaged Duff & Phelps, LLC ("Duff & Phelps") as its ind ependent financial advisor to provide to the Board of Directors of the Company an opinion (the "Opinion") as of the date hereof as to (i) the fairness, from a financial point of view, to the holders of the Company's common stock (other than Greenhill & Co., Inc. ("GHL")) of the consideration to be paid by the Company in the contemplated transaction described below (the "Proposed Transaction") and (ii) whether the Target (as defined below) has a fair market value equal to at least 80% of the balance in the Company's trust account (excluding deferred underwriting discounts and commissions).

Duff & Phelps has acted as financial advisor to the Board of Directors of the Company, and will receive a fee for its services, a significant portion of which is contingent upon Company stockholder approval of the Proposed Transaction. No portion of Duff & Phelps' fee is refundable or contingent upon either the conclusion expressed in the Opinion or the consummation of the Proposed Transaction. In addition, the Company has agreed to reimburse certain of Duff & Phelps expenses and to indemnify Duff & Phelps for certain liabilities arising out of this engagement. If the Company stockholders do not approve the Proposed Transaction, the Company has agreed to grant Duff & Phelps a right of first refusal to provide a fairness opinion at customary rates for any other initial business combination contemplated by the Company. Other than this engagement, during the two years preceding the date of this Opinion, Duff & Phelps has not had any material relationship with any party to the Proposed Transaction for which compensation has been received or is intended to be received, nor, except as disclosed above, is any such material relationship or related compensation mutually understood to be contemplated. This Opinion has been approved by the internal opinion committee of Duff & Phelps.

Description of the Proposed Transaction

The Proposed Transaction is the acquisition by the Company of all the equity interests of Iridium Holdings LLC (the "Target") pursuant to a Transaction Agreement (the "Transaction Agreement") among the Company, the Target and the equity holders of the Target, as listed on the signature page of the Transaction Agreement (the "Sellers"). Pursuant to the Transaction Agreement and as more fully set forth therein, the Company agrees to purchase from the Sellers all of the equity interests of the Target (as well as Syncom-Iridium Holdings Corporation and Baralonco N.V. (the "Blocker Entities")), for (a) an aggregate cash consideration of $77.1

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million to be paid at closing and $30 million to paid to the Sellers (other than the Sellers of shares or other equity interests of the Blocker Entities) 90 days following the closing upon the successful completion of an election under Section 754 of the Internal Revenue Code by the Company (the "Cash Consideration") and (b) 38,290,000 shares of common stock, par value $0.001, of the Company (the "Company Common Stock") (the "Stock Consideration", and together with the Cash Consideration, the "Consideration"). Concurrently with the execution of the Transaction Agreement it is contemplated that the Target will enter into a purchase agreement (the "Note Purchase Agreement") with Greenhill & Co. Europe Holdings Limited ("GHL Europe"), an affiliate of GHL, pursuant to which upon the closing thereof (the "Note Closing"), in exchange for the payment by GHL Europe to the Target of $22.9 million in cash, the Target will issue to GHL Europe a Convertible Subordinated Promissory Note (the "Note"). As more fully set forth in the Note and the Transaction Agreement, upon the closing of the Transaction Agreement, the Note will be redeemable for $22.9 million plus any accrued interest in cash or exchangeable for 2,290,000 of the 38,290,000 shares of Company Common Stock of the Stock Consideration.

Scope of Analysis

In connection with this Opinion, Duff & Phelps has made such reviews, analyses and inquiries as Duff & Phelps has deemed necessary and appropriate under the circumstances. Duff & Phelps also took into account its assessment of general economic, market and financial conditions, as well as its experience in securities and business valuation, in general, and with respect to similar transactions, in particular. Duff & Phelps' due diligence with regards to the Proposed Transaction included, but was not limited to, the items summarized below.

1. Discussed the operations, financial conditions, future prospects and projected operations and performance of the Company and Target, respectively, and the Proposed Transaction with the management of Target and the Company;

2. Reviewed certain publicly available financial statements and other business and financial information of the Company and Target, respectively, and the industries in which the Target operates;

3. Reviewed certain internal financial statements and other financial and operating data concerning Target which the Company and Target have respectively identified as being the most current financial statements available;

4. Reviewed certain financial forecasts as prepared by the management of the Company and Target;

5. Reviewed a draft of the Transaction Agreement and the exhibits thereto dated September 22, 2008 and the Note Purchase Agreement dated September 12, 2008 and the form of Note dated September 22,2008;

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6. Reviewed the historical trading price and trading volume of the Company Common Stock and the publicly traded securities of certain other companies that Duff & Phelps deemed relevant;

7. Compared the financial performance of Target with that of certain other publicly traded companies that Duff & Phelps deemed relevant;

8. Compared certain financial terms of the Proposed Transaction to financial terms, to the extent publicly available, of certain other business combination transactions that Duff & Phelps deemed relevant; and

9. Conducted such other analyses and considered such other factors as Duff & Phelps deemed appropriate.

Assumptions, Qualifications and Limiting Conditions

In performing its analyses and rendering this Opinion with respect to the Proposed Transaction, Duff & Phelps, with your consent:

1. Relied upon the accuracy, completeness, and fair presentation of all information, data, advice, opinions and representations obtained from public sources or provided to it from private sources, including Company and Target management, and did not independently verify such information;

2. Assumed that any estimates, evaluations and projections (financial or otherwise) furnished to Duff & Phelps were reasonably prepared and based upon the best currently available information and good faith judgment of the person or persons furnishing the same.

3. Assumed that the final versions of all documents reviewed by Duff & Phelps in draft form (including, without limitation, the Transaction Agreement and the Note Purchase Agreement) conform in all material respects to the drafts reviewed.

4. Assumed that all governmental, regulatory or other consents and approvals necessary for the consummation of the Proposed Transaction will be obtained without any adverse effect on the Company, Target or the Proposed Transaction.

5. Assumed without verification the accuracy and adequacy of the legal advice given by counsel to the Company and Target on all legal matters with respect to the Proposed Transaction and assumed all procedures required by law to be taken in connection with the Proposed Transaction have been, or will be, duly, validly and timely taken and that the Proposed Transaction will be consummated in a manner that complies in all respects with the applicable provisions of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and all other applicable statutes, rules and

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regulations. Duff & Phelps has not made, and assumes no responsibility to make, any representation, or render any opinion, as to any legal matter.

6. Assumed that all of the conditions required to implement the Proposed Transaction will be satisfied and that the Proposed Transaction will be completed in accordance with the Transaction Agreement, without any amendments thereto or any waivers of any terms or conditions thereof. Duff & Phelps assumed that all representations and warranties of each party to the Transaction Agreement are true and correct and that each party will perform all covenants and agreements required to be performed by such party.

7. Assumed that the conditions required to implement the Note Closing will be satisfied and that the Note will be issued prior to the closing of the Transaction Agreement in accordance with the terms of the Note Purchase Agreement, without any amendments thereto or any waivers of any terms of conditions thereof, and, upon the closing of the Transaction Agreement the Note will be exchanged for 2,290,000 of the 38,290,000 shares of Company Common Stock of the Stock Consideration.

8. Assumed that, prior to the closing of the Transaction Agreement, all of the equity holders of Target are parties to and bound as Sellers under the Transaction Agreement.

9. Assumed that Target will declare and pay a dividend in the aggregate amount of $37.9 million prior to the closing of the Proposed Transaction.

10. Assumed that within 90 days following the closing, the Company will make a valid, successful election under Section 754 of the Internal Revenue Code.

11. Did not make any independent evaluation, appraisal or physical inspection of the Company's or the Target's solvency or of any specific assets or liabilities (contingent or otherwise).

This Opinion should not be construed as a valuation opinion, credit rating, solvency opinion, liquidation analysis, an analysis of either the Company's or Target's credit worthiness or otherwise as tax advice or as accounting advice. Duff & Phelps has not been requested to, and did not, (a) negotiate the terms of the Proposed Transaction or (b) advise the Board of Directors or any other party with respect to alternatives to the Proposed Transaction. In addition, Duff & Phelps is not expressing any opinion as to the market price or value of the Company's Common Stock after announcement of the Proposed Transaction.

In our analysis and in connection with the preparation of this Opinion, Duff & Phelps has made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of any party involved in the Proposed Transaction. To the extent that any of the foregoing assumptions or any of the facts on which this Opinion is based prove to be untrue in any material respect, this Opinion cannot and should not be relied upon.

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In rendering this Opinion, Duff & Phelps is not expressing any opinion with respect to the amount or nature of any compensation to any of the Company's officers, directors, or employees, or any class of such persons, relative to the consideration to be received by the public shareholders of the Company in the Proposed Transaction, if any, or with respect to the fairness of any such compensation.

Duff & Phelps has prepared this Opinion effective as of the date hereof. This Opinion is necessarily based upon market, economic, financial and other conditions as they exist and can be evaluated as of the date hereof, and Duff & Phelps disclaims any undertaking or obligation to update this Opinion or advise any person of any change in any fact or matter affecting this Opinion which may come or be brought to the attention of Duff & Phelps after the date hereof.

The basis and methodology for this Opinion have been designed specifically for the express purposes of the Board of Directors and may not translate to any other purposes. This Opinion is not a recommendation as to how the Board of Directors or any stockholder should vote or act with respect to any matters relating to the Proposed Transaction, or whether to proceed with the Proposed Transaction or any related transaction, nor does it indicate that the terms of (including the consideration to be paid in) the Proposed Transaction are the best attainable by the Company under any circumstances. Further, Duff & Phelps has not been requested to opine as to, and the Opinion does not in any manner address, the underlying business decision of the Company to engage in the Proposed Transaction or the relative merits of the Proposed Transaction as compared to any alternative business transaction or strategy (including, without limitation, a liquidation of the Company after not completing a business combination within the allotted time). Instead, it merely states whether the consideration in the Proposed Transaction is within a range suggested by certain financial analyses. The decision as to whether to proceed with the Proposed Transaction or any related transaction may depend on an assessment of factors unrelated to the financial analysis on which this Opinion is based. This letter should not be construed as creating any fiduciary duty on the part of Duff & Phelps to any party. Without our prior consent, this Opinion may not be quoted from or referred to, in whole or in part, in any written document or used for any other purpose, except that this Opinion may be included in its entirety in filings with the Securities and Exchange Commission made by the Company in connection with the Proposed Transaction. The Company may summarize or otherwise reference the existence of this Opinion in such documents provided that any such summary or reference language shall be subject to prior approval of Duff & Phelps.

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GHL Acquisition Corp.
September 22, 2008
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Conclusion

Based upon and subject to the foregoing, Duff & Phelps is of the opinion that (i) the Consideration to be paid by the Company in the Proposed Transaction is fair, from a financial point of view, to the holders of the Company's cornmon stock (other than GHL) and (ii) the Target has a fair market value equal to at least 80% of the balance in the Company's Trust Account (excluding deferred underwriting discounts and commissions).

Respectfully submitted,

DUFF & PHELPS, LLC

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GHL ACQUISITION CORP.
300 Park Avenue, 23rd Floor
New York, NY 10022

SPECIAL MEETING OF STOCKHOLDERS
THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS OF GHL ACQUISITION CORP.

The undersigned appoints and as proxies, and each of them with full power to act without the other, each with the power to appoint a substitute, and hereby authorizes either of them to represent and to vote, as designated on the reverse side, all shares of common stock of GHL Acquisition Corp. ("GHQ") held of record by the undersigned on , 2009, at the Special Meeting of Stockholders to be held on , 2009, or any postponement or adjournment thereof.

THIS PROXY REVOKES ALL PRIOR PROXIES GIVEN BY THE UNDERSIGNED. THIS PROXY WILL BE VOTED AS DIRECTED. IF NO DIRECTIONS ARE GIVEN, THIS PROXY WILL BE VOTED "FOR" EACH OF THE PROPOSALS LISTED HEREIN. THE GHQ BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE PROPOSALS LISTED HEREIN.

(Continued, and to be marked, dated and signed, on the other side)

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PROXY CARD – GHQ

THIS PROXY WILL BE VOTED AS DIRECTED. IF NO DIRECTIONS ARE GIVEN, THIS PROXY WILL BE VOTED "FOR" PROPOSAL NUMBERS 1, 2, 3, 4 AND 5. THE GHQ BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE FOLLOWING PROPOSALS.

1. To approve our acquisition of Iridium Holdings, LLC ("Iridium Holdings") pursuant to the Transaction Agreement dated as of September 22, 2008 among GHQ, Iridium Holdings and the sellers listed therein ("Transaction Agreement") and the transactions contemplated by the Transaction Agreement (the "Acquisition Proposal").

FOR	AGAINST	ABSTAIN
ð	ð	ð

If you voted "AGAINST" the Acquisition Proposal and you hold shares of GHQ common stock issued in the GHQ initial public offering, you may exercise your conversion rights and demand that GHQ convert your shares of common stock into a pro rata portion of the trust account by marking the "I Hereby Exercise My Conversion Rights" box below. If you exercise your conversion rights, then you will be exchanging your shares of GHQ common stock for cash and will no longer own these shares. You will only be entitled to receive cash for these shares if the acquisition is completed and you affirmatively vote against the Acquisition Proposal, continue to hold these shares through the effective time of the acquisition and deliver your stock certificate to GHQ's transfer agent. Failure to (a) vote against the approval of the Acquisition Proposal, (b) check the "I Hereby Exercise My Conversion Rights" box below, (c) deliver your stock certificate to GHQ's transfer agent before the special meeting by following the procedures set forth on pages 119 and 120 of GHQ's proxy statement under "The Special Meeting—Conversion Rights", or (d) submit this proxy in a timely manner, will result in the loss of your conversion rights.

1a. I HEREBY EXERCISE MY CONVERSION RIGHTS ð

2. To approve the issuance of shares of our common stock in the acquisition and related transactions that would result in an increase in our outstanding common stock by more than 20%.

FOR	AGAINST	ABSTAIN
ð	ð	ð

3. To adopt the proposed stock incentive plan, to be effective upon completion of the acquisition.

FOR	AGAINST	ABSTAIN
ð	ð	ð

4. To consider the vote upon a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit further solicitation and vote of proxies.

FOR	AGAINST	ABSTAIN
ð	ð	ð

To approve an amendment to GHQ's Amended and Restated Certificate of Incorporation to, among other things, (i) change the name of GHQ from GHL Acquisition Corp. to "Iridium Communications Inc."; (ii) permit GHQ's continued existence after February 14, 2010; (iii) increase the number of GHQ's authorized shares of common stock; and (iv) eliminate the different classes of GHQ's board of directors.	ð	ð	ð

Sign exactly as your name appears on this proxy card. If shares are held jointly, each holder should sign. Executors, administrators, trustees, guardians, attorneys and agents should give their full titles. If stockholder is a corporation, sign in full name by an authorized officer.

PLEASE MARK, DATE AND RETURN THIS PROXY PROMPTLY. ANY VOTES RECEIVED AFTER A MATTER HAS BEEN VOTED UPON WILL NOT BE COUNTED.

MARK HERE FOR ADDRESS CHANGE AND NOTE AT RIGHT

COMPANY ID:

PROXY NUMBER:

ACCOUNT NUMBER:

Signature _____ Signature _____ Date _____, 2009