

FCC C-band Proceeding Fact Sheet: Commitments to Customers

April 3, 2019 Filing Date

U.S. Federal Communications Commission Proceeding GN Docket No. 18-122 and GN Docket No. 17-183

The C-Band Alliance's (CBA) proposal in the FCC's Mid-Band Proceeding to expand terrestrial use of the 3700-4200 MHz band ("C-band") would establish a market-based approach to allow the satellite operators to enable terrestrial mobile operations in a portion of the C-band by repacking satellite services into the upper 300 MHz. This would make some C-band spectrum available for 5G while critically protecting the wide array of established C-band satellite services and the companies that rely on them. Under the CBA's proposal, the satellite operators would pay for all costs directly associated with repacking satellite services. This includes costs incurred by both our customers and end users, and entails procuring eight new satellites for the transition.

On April 2, 2019, Intelsat and SES filed a Commitment to Customers with the FCC. The letter was presented to all current U.S. C-band customers over the course of March 2019. The letter represents a binding commitment to our customers and includes a specific Customer Transition Plan private to each customer, and schedule of Reimbursable Expenses.

Key details include:

Program management:

- Timing: The timing of the transition of services will depend on when the FCC issues its Order. The satellite operators will provide their customers with a written notice of at least 90 days prior to any transition.
- Transition: The satellite operators agree to undertake, manage, and complete all necessary actions to effectuate the transition of customer services. For efficiency and consistency, the satellite operators intend to utilize the services of the CBA to manage many aspects of the transition; however, the operators remain obligated to their customers under the terms of this commitment for this transition.

Satellite capacity loading and satellite operations:

- Loading and restoration: Specific satellite loading and restoration agreements, which is consistent with capacities currently contracted, is provided to each customer. The CBA proposal maintains all current services within a transitioned 300 MHz environment.
- Payload spares and redundancy: A confirmation that – in case of an in-orbit failure – the same level of service protection as per their contracted agreements will be maintained.
- Service fees: A confirmation that all remuneration for services is maintained at previously contracted levels for the duration of the underlying contracts. There are no other fees with regards to the transition.

Satellite uplinks:

- Dual illumination: Some customers may need a dual illumination during the migration phase; in that case, the service will be provided both on the existing and the post-transition transponder for a period of up to 90 days.
- Uplink for dual illumination: If required, the satellite operators provides the customer with uplink services at no additional cost during the dual illumination period; this can include fiber transport costs.
- Technical support: The satellite operators pay the customer any reasonable time and material cost incurred for the preparation of the facilities.

Satellite downlinks:

- Installation of filters: The satellite operators will provide and install – at no cost for the customers – the necessary 5G rejection filters and, if necessary, other equipment for the customer antennas. Spare filters will be made available for five years.
- Signal quality: The signal degradation at the earth station output level will remain within a specified limit.
- Technical support: The satellite operators provide and pay all reasonable technical support to their customers.
- Warranty: The satellite operators ensure that filters and additional equipment is registered and covered by manufacturer warranty.

Financial commitments:

- Earmarked funds: The satellite operators will establish an escrow to ensure funds are available for customer clearing costs equal to 120% of the estimated spectrum clearing costs.
- Completion funds: The satellite operators will use proceeds to establish a “completion fund” for a period of three years beyond the transition period to cover any additional clearing expenses and related costs that may occur.

Detailed Attachments

- Schedule of Reimbursable Expenses
- Customer Specific Plans (customized for each customer)
- 5G Rejection Filter Specification

Copy of the FCC ExParte:

<http://c-bandalliance.com/wp-content/uploads/2019/04/ExParteCustomerCommitmentLetter.pdf>

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