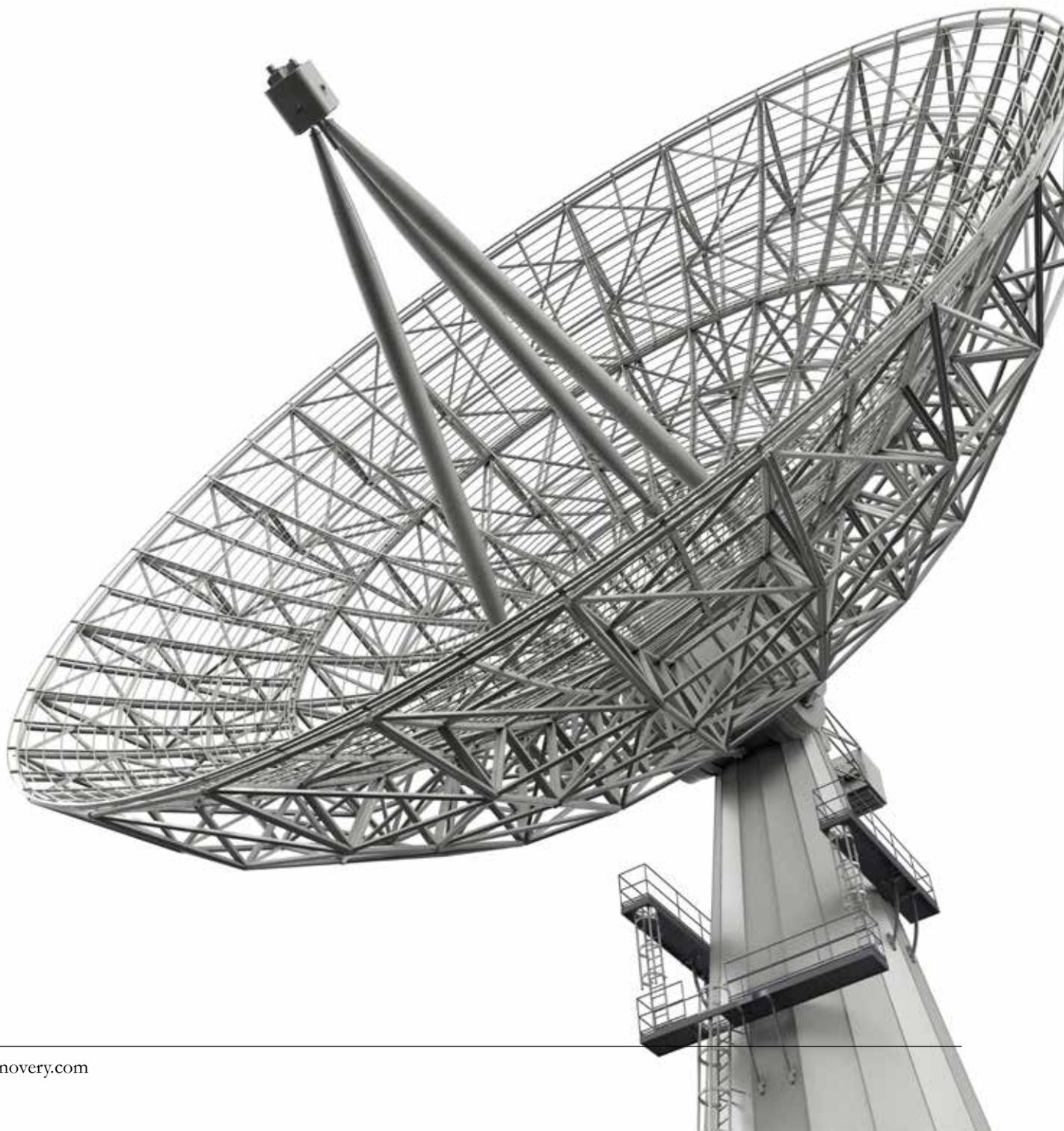


ALLEN & OVERY

Our Satellite Practice

2018





Contents

Satellite experience	04
Commercial, regulatory and dispute resolution	06
Corporate transactions	08
– Mergers and acquisitions	08
– Equity capital markets	09
Project finance	10
– Lender-side engagements	10
– Sponsor-side engagements	12
– Other finance	13
Key contacts	14

Satellite experience

Allen & Overy offers a unique global legal service that provides advice on satellite financing, satellite regulation and satellite insurance, as well as corporate and commercial issues. Our international training and integrated know-how ensures the effective management of international advice for satellite projects.

Specifically, we advise on the following:

Satellite construction
and launch
service contracts

Satellite financings
and insurance
arrangements

Transponder leases
and commercial
service agreements



“They did an excellent job. They were responsive, insightful, creative, thorough and hard working.”

Chambers Global 2017 (TMT)

Corporate reorganisations, IPOs, acquisitions and disposals in the satellite industry

National and international regulation, including broadcast regulation

Research and development projects, including those involving the European Space Agency

We have a thorough understanding of the International Telecommunication Union (ITU) regulatory framework and the Outer Space Treaties. On construction and launch contracts, we know the industry positions, the points of contention, and the background that influences them. Many of the transactions on which we have advised have been awarded “Deal of the Year” accolades, including financing projects for the iPSTAR-1 satellite; Iridium Communications’ next generation satellite constellation, Iridium NEXT; the O3B Networks project; and YahSat 1A and YahSat 1B.

Commercial, regulatory and dispute resolution

ABN AMRO, BANK OF AMERICA, DEUTSCHE BANK AND JPMORGAN

on the financing for the ICO global mobile satellite services project and the regulatory issues involved in multiple jurisdictions.

AL YAH SATELLITE COMMUNICATIONS COMPANY (YAHSAT)

on an operating and maintenance contract for military satellite communications equipment.

AL YAH SATELLITE COMMUNICATIONS COMPANY(YAHSAT)

on its procurement of terminals and network equipment for its broadband-over-satellite product.

AL YAH SATELLITE COMMUNICATIONS COMPANY (YAHSAT)

on various matters relating to telecommunications, licensing and regulation.

AL YAH SATELLITE COMMUNICATIONS COMPANY (YAHSAT)

on its deal to provide Broadband4Africa, Eutelsat's African broadband venture, with satellite capacity for broadband services across Sub-Saharan Africa.

AL YAH (YAHSAT)

on the contract with Thales Alenia Space and Astrium for the integrated ground and satellite system for the UAE's secure satellite communications, together with the ongoing amendments and contract maintenance of it.

CABLE & WIRELESS

on the reorganisation of its satellite and cable assets.

CONVERGENCE PARTNERS

as shareholders in New Dawn following a partial failure of the Intelsat New Dawn satellite, and the ultimate exit of Convergence from the New Dawn project.

EMS GLOBAL TRACKING

on its distribution arrangements in the Middle East, including negotiating a value added reseller arrangement with a local distributor.

EUTELSAT

on all commercial aspects of its proposal to the EC Commission to build and operate the Galileo satellite project.

EX-IM BANK, COFACE, SOCIÉTÉ GÉNÉRALE, CREDIT SUISSE (LUXEMBOURG), AND STANDARD CHARTERED BANK

on the financing of the Jabiru satellite system, including the renegotiation of the Lockheed Martin procurement contract.

EX-IM BANK

on the financing of a European satellite system, including the renegotiation of the SS/Loral procurement contract.

EX-IM BANK

on the proposed financing of a Ku-band satellite and other U.S. goods and services to be purchased by Bulgaria Sat. This included a renegotiation of the satellite supply contract, and detailed analysis of the regulatory conditions for operation of the satellite.

FRENCH MINISTRY FOR FOREIGN AFFAIRS

with regard to the preparation, negotiation and drafting of Treaties and Declarations of principles on remote sensing satellites; definition or delimitation of outer space and on the moon and other celestial objects etc.

GLOBAL ONE

in relation to the drafting of a satellite occasional transmission agreement.

GLOBECAST NORTHERN EUROPE (A SATELLITE OPERATOR IN THE FRANCE TELECOM GROUP)

on regulatory and commercial matters.

INTELIG

on its contractual arrangements with Intelsat.

INTELSAT

on Dutch regulatory, corporate and labour law issues regarding the acquisition of New Skies Satellites (a Dutch satellite company now part of SES World Skies).

ISLE OF MAN GOVERNMENT

in contentious proceedings relating to the technical application of ITU satellite filing procedures.

KPN EURORINGS BV

in a framework agreement with IABG Industrieanlagen Betriebsgesellschaft mbH, IABG provides with the support of KPN telecommunications services via satellite services.

LORAL SPACE & COMMUNICATIONS LTD

on a Tripartite Agreement for the provision of satellite services to customers in the PRC and the translation of the Tripartite Agreement into Chinese.

MUBADALA

on ongoing matters in relation to the construction, launch and operation of the USD1.807bn YahSat satellite project in Abu Dhabi.

NETSYSTEM

on a cooperation agreement between Netsystem and SES (Astra), aimed at the acquisition by Astra of Netsystem shares and the rental of two satellite transponders for the supply of bandwidth via satellite. Our work focused on corporate and contractual issues as well as aspects related to the rent of the transponders and other regulatory concerns, in light of the new rules imposed by the Italian Communications Authority and EU regulations in general, especially when compared to the framework governing satellite television services. Our work also included technical questions regarding the setting up and management of satellite services and signal broadcasting methods.

THURAYA

on the launch of a new satellite to provide satellite communications services in the Asia Pacific region including the review of the launch contracts and conducting a regulatory review across several Asian jurisdictions to establish the licences and approvals necessary to provide services in those countries.

THE UAE ARMED FORCES

on the procurement of the Falcon Eye remote sensing system.

THE UAE SPACE AGENCY

on the competitive tender, awarded to Mitsubishi Heavy Industries, for the launch service of the Emirates Mars mission.

A SATELLITE OWNER

in proceedings to collect on a loss of satellite claim, in order to ensure that the reinsurer's payment was not made to the direct insurer, an insurance company in a former CIS member state, but to the owner instead.

A TELECOMMUNICATIONS CLIENT

on the proposed shareholding structure of its subsidiaries in IPSTAR group.

A U.S. MANUFACTURER

in the defence and aerospace industries on its defence of a claim in excess of EUR30m brought by an English manufacturer of space satellite technology.

AN AEROSPACE AND DEFENCE COMPANY

in relation to its product liability insurance claim against an insurer. Our client's claim related to damages that it had been obliged to pay to a third party, for defective valves supplied by a subsidiary of our client which damaged the third party's satellite. The claim was successfully settled.

AN AEROSPACE COMPANY

on a dispute concerning the interpretation of payment provisions in a satellite construction contract.

AN INTERNATIONAL DEFENCE GROUP

on the supply of military satellite systems.

AN INTERNATIONAL DTH SATELLITE OPERATOR

in connection with a proposed swap of orbital positions and the regulatory approvals this required.

AN INTERNATIONAL GROUP OF CO-INSURERS

in respect of a disputed claim relating to the loss of a satellite.



Corporate transactions

Mergers and acquisitions

AN ASIAN COMPANY

on the purchase and launch of satellites.

ARQIVA (FORMERLY NTL BROADCAST)

on their acquisition of Inmedia Communications, a UK-based satellite services operator, from Carlyle Group, the U.S. private equity house.

ARQIVA

on the acquisition of BT's Satellite Broadcast Services division for GBP25m, which received unconditional clearance from the OFT.

CABLE & WIRELESS

on its acquisition of an additional 5.75% of the shares in Asia Satellite Telecommunications Holdings from Hutchinson Whampoa and on its subsequent disposal of shares in Asia Satellite Telecommunications Limited.

CABLE & WIRELESS

on the disposal of its interest in Eutelsat.

CABLE & WIRELESS

on the reorganisation of Intelsat.

CABLE & WIRELESS

on the reorganisation of its satellite and cable assets.

FINMECCANICA BEFORE THE EUROPEAN COMMISSION

on antitrust elements of the acquisition by Thales and Finmeccanica of joint control of two space joint ventures Alcatel Alenia Space and Telespazio, previously jointly controlled by Alcatel and Finmeccanica.

GOLDMAN SACHS

on a minority share acquisition for Eutelsat.

INVESTINDUSTRIAL

on the acquisition of a minority stake in Eutelsat.

LOCKHEED MARTIN

as a major selling shareholder, on the acquisition of New Skies Satellite NV, a Dutch satellite operator, by Blackstone Group, the U.S.-based private equity firm.

SATLYNX

a B2B service provider, upon its establishment as a joint venture between SES Astra, an Israeli IT company and Alcatel.

SATLYNX

then a subsidiary of a global satellite group (SES Global), on its internal restructuring.

TELENOR

on the sale of capacity on the Thor 5 Satellite to UPC.

YAHSAT

on its joint venture with SES Astra to form YahLive, which will offer satellite services in the Middle East.

ASIA SATELLITE TELECOMMUNICATIONS HOLDINGS LIMITED

a Hong Kong Main Board listed issuer on the possible mandatory unconditional general cash offer by Goldman Sachs and Bank of America Merrill Lynch, on behalf of Carlyle, to acquire all the publicly held shares of Asia Sat resulting from the sale of General Electric's indirect interest in the Company to Carlyle as well as all Hong Kong Stock Exchange and Takeovers Code compliance issues arising from such offer.

Equity capital markets

MORGAN STANLEY

on the initial proposed IPO of Inmarsat.

MARCONI CORPORATION PLC

on its listing following the restructuring of its bank and bond debt obligations which exceeded GBP4bn.

PLANET COMMUNICATIONS ASIA

on its public conversion and listing on the SET.

THURAYA SATELLITE TELECOMMUNICATIONS COMPANY

in connection with its USD235m private placement.

*“Allen & Overy has a
strong reputation for
satellite projects”*

Legal 500



Project finance

Lender-side engagements

ABU DHABI ISLAMIC BANK, AUSTRALIA AND NEW ZEALAND BANKING GROUP, SOCIÉTÉ GÉNÉRALE AND UNION NATIONAL BANK

as arrangers of a USD500m facility for Thuraya Satellite Telecommunications PJSC, a satellite mobile phone system based in the United Arab Emirates.

AON DUATI ISLAMIC BANK

as arranger of a USD100m Islamic financing of the construction of Thuraya's satellite mobile phone system.

BARCLAYS CAPITAL

as arranger of two syndicated facilities, of EUR550m and EUR385m, for EUTELSAT, a supranational treaty organisation which launches satellites.

BNP PARIBAS, CANADIAN IMPERIAL BANK OF COMMERCE AND HSBC

in the GBP963m loan financing of Paradigm Secure Communications Limited's development and construction of the Skynet 5 military satellite project (EADS led consortium) on the UK MoD Skynet 5 military satellite communications project (to deliver two military satellites to the UK MoD), the first PPP satellite deal to close anywhere in the world.

CHASE MANHATTAN BANK

in connection with the corporate and project-related aspects of an Argentinean satellite company.

CITIBANK AND BNP PARIBAS

on the iPSTAR-1 satellite financing (including Ex-Im Bank and COFACE tranches) for ShinSat in Thailand.

EX-IM BANK

on the USD345m direct loan to Asia Satellite Telecommunications Co. Ltd. (AsiaSat) to finance the purchase of two communications satellites designed and built by Space Systems/Loral LLC (SSL) in Palo Alto, Calif.

CITIGROUP GLOBAL MARKETS LIMITED AND GOLDMAN SACHS INTERNATIONAL

as joint lead managers (and Dexia Capital Markets as Co-Lead Manager) in the financial restructuring of the Skynet 5 PFI Satellite project. The ground breaking Skynet 5 PFI programme will provide greater flexibility to the Ministry of Defence in its delivery of the next generation of military satellite communications.

COFACE, SOCIÉTÉ GÉNÉRALE AND GOLDMAN SACHS

in relation to an export credit and high yield financing of 66 satellites for IRIDIUM Satellites.

CRÉDIT LYONNAIS AND OTHER ARRANGING BANKS

on the USD232m limited recourse financing to APT Satellite Co. (Hong Kong company) for the construction, launch, insurance and operation of two communications satellites, APSTAR 1A and APSTAR 2R, and advice to the arrangers on the Taiwanese sponsor of the project. Our work included advising on the satellite construction contracts, the launch services contracts, insurance arrangements, in-orbit acceptance procedures, transponder leases, TTM & C facilities, national and ITU regulatory issues, licensing under the Outer Space Act, as well as advising on the financing and security documentation.

DEVELOPMENT FINANCE INSTITUTIONS (DFIS) INCLUDING AFDB, IFC, DEVELOPMENT BANK OF SOUTHERN AFRICA, DEG, FMO AND EMERGING AFRICA INFRASTRUCTURE FUND AND A GROUP OF SENIOR EXPORT CREDIT-BACKED LENDERS CA-CIB, HSBC FRANCE, DEXIA AND ING

in relation to the USD1.2bn funding for O3b Networks, the satellite venture backed by investors, including Google and SES S.A. This project involved the launch of a satellite-based system to provide low-cost fibre-quality backhaul services to cellular, fixed line and internet service providers.

BNP PARIBAS

as COFACE agent, on a USD68m loan to PT Bank Rakyat Indonesia (Persero) Tbk, an Indonesian state-owned bank, to support the launch of the Bank Rakyat Indonesia Satellite. PT Bank Rakyat Indonesia (Persero) Tbk is the only Indonesian bank that owns a satellite which supports its daily operational and business activities across Indonesia.

BANK OF THE UNITED STATES (EX-IM BANK) AND CIBC

on various aspects of the Hughes-Ispat telecom project in India.

EX-IM BANK, COFACE, SOCIÉTÉ GÉNÉRALE, CREDIT SUISSE (LUXEMBOURG), AND STANDARD CHARTERED BANK

in connection with the USD400m secured direct loan to NewSat Limited, an Australian satellite communications provider, to finance the development, construction and launch (including launch insurance) of a hybrid Ku- and Ka-band satellite manufactured by Lockheed Martin and launched by Arianespace.

EX-IM BANK

on a direct loan to Inmarsat Investment Limited (UK), as borrower, of USD700m to finance the purchase of three geostationary Ka-band telecommunications satellites from Boeing Space and Intelligence Systems, Inc.

EX-IM BANK

in respect of a broadcasting satellite with coverage in Europe.

EX-IM BANK AND OPIC (PRIOR TO OPIC'S WITHDRAWAL)

on the financing of the Telemobil CDMA-450 telecoms project in Romania.

EX-IM BANK

in connection with the limited recourse financing of the build out of an iDEN telecommunications project in the Kingdom of Saudi Arabia by the Public Telecommunications Company.

EX-IM BANK

on the financing of a Ku-band satellite and other U.S. goods and services to be purchased by Bulgaria Sat.

ING AND A LARGE UK BANK

as arrangers of a USD400m bridge facility, and subsequently a guaranteed syndicated USD610m five-year revolving credit facility for Inmarsat Ventures (and subsidiaries). The facility was to be used to finance Inmarsat's fourth generation satellite programs and as a refinancing of Inmarsat's second and third generation satellites (which involved the collapse/reorganisation of various leasing structures).

ING AND A LARGE UK BANK

as the consortium on the proposed financing of Europe*Star, a major communications and broadcasting satellite project for the construction and launch of two satellites in Asia. Our work included advising on the satellite construction contracts, the launch services contracts, insurance arrangements, in-orbit acceptance procedures, transponder leases, TTM & C facilities, national and ITU regulatory issues, and licensing under the Outer Space Act, as well as advising on the financing and security documentation (abandoned for regulatory reasons).

ING BARINGS (MEXICO)

as agent in connection with an Ex-Im Bank financing of a new satellite for a Mexican satellite company.

ING BANK AND A SYNDICATE OF BANKS

on the leveraged finance acquisition of Eurofiber by Antin.

MUBADALA DEVELOPMENT COMPANY

on the USD1.66bn agreement with a European consortium to launch a dual satellite communications system. The project was a ground-breaking transaction in that the manufacturers have assumed turnkey responsibility for the combined space and ground based segments of the system.

THE EXPORT-IMPORT BANK OF KOREA (K-EXIM)

on a limited recourse project financing for the export of 190,000 Generation-2 Handsets by the Asia Pacific Satellite Industry to the United Arab Emirates importer, Thuraya Satellite Telecommunications Company.

THE LENDERS (INCLUDING JBIC, BPIFRANCE, IFC, EBRD, UKEF, HSBC, ING, MIZUHO AND OTHER ECAS, DFIS AND COMMERCIAL BANKS)

in a USD5bn project financing of a global constellation of 882 satellites for OneWeb.

SOCIÉTÉ GÉNÉRALE ON THE USD1.8BN FINANCING FACILITY

for the design and manufacture of Iridium Communications' next generation satellite constellation, Iridium NEXT.

UNICREDIT BANCA MOBILIARE S.P.A.

as mandated lead arranger of a financing for De Agostini's acquisition of Deutsche Telekom's stake in Eutelsat.

EX-IM BANK

as lender, in the USD471m debt financing to Kingsbridge Ltd, the holding company of Asia Broadcast Satellite's group of operating companies, for the procurement, construction, launch and operation of three new satellites as well as the refinancing of a previous debt facility.

Sponsor-side engagements

AL YAH SATELLITE COMMUNICATIONS COMPANY (YAHSAT)

on the financing, construction, regulatory and all other aspects of the USD1.8bn agreement with a European consortium comprising EADS Astrium/Thales Alenia Space on the development of two dual-use communications satellites (YahSat 1A and YahSat 1B) for commercial and military applications under a 15-year BOO concession in the United Arab Emirates. The financing is supported by a COFACE guarantee.

ALENIA AEROSPAZIO

on the financing and regulatory aspects of a prospective satellite launch.

CAISSE DES DEPOTS ET CONSIGNATIONS - CDC AND OTHER SPONSORS

on the EUR620m PPP development of a 1 million fiber-to-the-home line fiber optic network in seven departments of the Grand Est region, France as part of the Plan France Tres Haut Debit investment plan.

EDGECONNEX INC

on the EUR289.1m acquisition of three shell-only facilities totaling 5780sqm, and the design, construction, maintenance and operation of a new 43MW Cloud Enabled Edge Data Center located in the Koolhovenlaan data center park in the Schipol-Rijk area of Amsterdam, North Holland, the Netherlands.

EDGECONNEX INC

on the USD235.4m design, engineering, construction and operation of a 24MW cloud-enabled edge data center located in Elk Grove, near Chicago, Illinois, United States.

EDGECONNEX INC

on the EUR165.5m development of a 18MW data center in the Grange Castle Business Park, West of Dublin, Ireland.

EUTELSAT

on its bid to the EU Commission to build and operate the Galileo Satellite PPP Project in France (ITN).

UNITED SATELLITES LIMITED

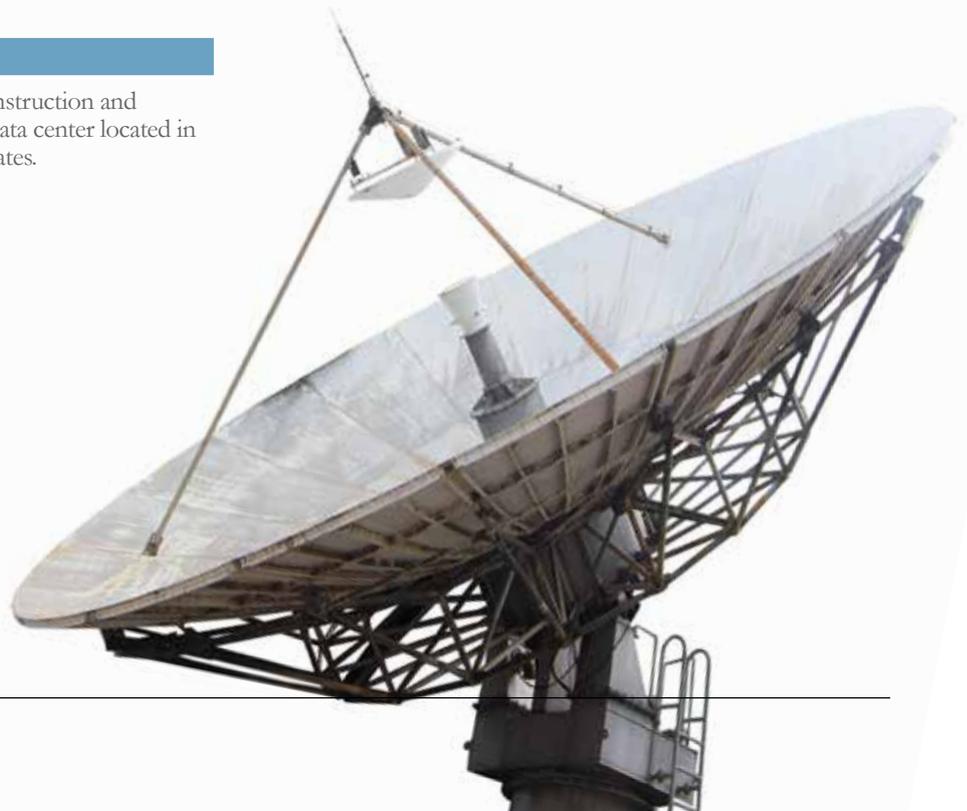
on a project to build, launch, operate and finance a satellite system for the BBC to enable the BBC to broadcast satellite television. USL was a consortium company established by British Telecom, British Aerospace and GEC Marconi.

A BIDDING CONSORTIUM

for an international satellite joint venture in relation to a satellite navigation system.

A MAJOR UK PLC

on a number of satellite projects in Asia and North America which include advising on the financing agreements, satellite construction and launch contracts and insurance arrangements.



Other finance

ABN AMRO

as arranger in respect of an EUR550m revolving credit facility agreement granted to satellite group SES.

BANK OF TOKYO MITSUBISHI UFJ, LTD

as mandated lead arranger in connection with a EUR1.5bn credit facility agreement made available to, amongst others, SES.

BARCLAYS MERCANTILE AND ABBEY

on the leasing of two satellites to GE Capital for GBP250m.

CITIGROUP GLOBAL MARKETS LIMITED

as arranger on the establishment of the EUR2bn Euro Medium Term Note Programme for SES Global S.A., SES Global Americas Holdings GP.

CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK AND OTHER JOINT LEAD MANAGERS

on the issue of EUR300m (3.125% bonds due 2022) by Eutelsat.

LLOYDS LEASING

in relation to a USD216m cross-border lease financing of two satellites for Telenor.

NORTH SEA MARINE LEASING

a limited partnership of MWB, Midland, Lloyds and Barclays when they bought and leased satellites to Inmarsat for GBP200m.

STANDARD CHARTERED BANK AND HSBC

On Aerospace Satellite Corporation's (a subsidiary of PT MNC Sky Vision Tbk) Reg S / Rule 144A high yield USD165m senior secured guaranteed notes due 2015.

BNP PARIBAS

On amendments to the COFACE facility documentation with Gazprom Space Systems.

ROYAL BANK OF SCOTLAND

on a corporate lending for Eutelsat.

TECHNIP

on taking security over satellite equipment.

TELENOR ASA

on restructuring satellite leasing arrangements entered into with Lloyds TSB plc.

THE MANDATED LEAD ARRANGERS AND BOOKRUNNERS

on the refinancing of Eutelsat Communications' existing credit facilities.

THE EUROPEAN INVESTMENT BANK

in relation to a EUR200m credit facility and guarantee (governed by Luxembourg law) made available to the SES group.

ING

on the financing of GTSS for the acquisition of transponders capacity on the ABS-2 Satellite.

JP MORGAN AND LEHMAN BROTHERS

as lead arrangers on the issue of USD287.7m convertible bonds for Inmarsat plc.

MERRILL LYNCH INTERNATIONAL

as arranger on the establishment of the USD50bn Limited Recourse Secured Debt Issuance Programme for Iridium Capital Public Limited Company.

SOCIÉTÉ GÉNÉRALE AND THE OTHER JOINT LEAD MANAGERS

in relation to financings for Eutelsat including a senior EUR800m bond issue.

CREDIT LYONNAIS AND CCF

on the acquisition by Eurazeo of a stake in Eutelstat, the French satellite company, by way of a EUR115m secured financing.

Key contacts



Tom Levine

Partner – Head of Telecoms Sector Group
London
Tel +44 20 3088 3114
tom.levine@allenoverly.com



Mario Jacovides

Global Head – Asset Finance
London
Tel +44 20 3088 2659
mario.jacovides@allenoverly.com



Yvonne Ho

Partner – Project and Export Finance
Beijing
Tel +86 10 6535 4327
yvonne.ho@allenoverly.com



David Slade

Partner – Project and Export Finance
Washington, D.C.
Tel +1 20 2683 3855
david.slade@allenoverly.com



Adrian Mellor

Partner – Project and Export Finance
Paris
Tel +33 1 40 06 53 75
adrian.mellor@allenoverly.com



Sami Mir

Partner – Project and Export Finance
Washington, D.C.
Tel +1 212 756 1197
sami.mir@allenoverly.com

“Very practical and have the ability to provide legal advice across jurisdictions, while ensuring the same level of high-quality work.”

Chambers Global 2017 (TMT)



GLOBAL PRESENCE

Allen & Overy is an international legal practice with approximately 5,500 people, including some 550 partners, working in 44 offices worldwide. Allen & Overy LLP or an affiliated undertaking has an office in each of:

Abu Dhabi	Bucharest (associated office)	Ho Chi Minh City	Moscow	Seoul
Amsterdam	Budapest	Hong Kong	Munich	Shanghai
Antwerp	Casablanca	Istanbul	New York	Singapore
Bangkok	Doha	Jakarta (associated office)	Paris	Sydney
Barcelona	Dubai	Johannesburg	Perth	Tokyo
Beijing	Düsseldorf	London	Prague	Warsaw
Belfast	Frankfurt	Luxembourg	Riyadh (cooperation office)	Washington, D.C.
Bratislava	Hamburg	Madrid	Rome	Yangon
Brussels	Hanoi	Milan	São Paulo	

Allen & Overy means Allen & Overy LLP and/or its affiliated undertakings. The term **partner** is used to refer to a member of Allen & Overy LLP or an employee or consultant with equivalent standing and qualifications or an individual with equivalent status in one of Allen & Overy LLP's affiliated undertakings.

© Allen & Overy LLP 2018 | CS1608_CDD-45865_ADD-76932