PANAMSAT COMMUNICATIONS JAPAN INC
Form S-4/A
February 08, 2007
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As filed with the Securities and Exchange Commission on February 8, 2007

Registration No. 333-140219

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

AMENDMENT NO. 1

TO

FORM S-4

REGISTRATION STATEMENT

UNDER THE SECURITIES ACT OF 1933

Intelsat Corporation

(Exact name of registrant as specified in its charter)

Delaware	**4899**	**95-4607698**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification No.)**

3400 International Drive, N.W., Washington, D.C. 20008 (202) 944-6800

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant s Principal Executive Offices)

(see following pages for additional registrants)

Phillip L. Spector, Esq.

General Counsel

Intelsat Corporation

3400 International Drive, N.W.

Washington, D.C. 20008

(202) 944-6800

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

Copies to:

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New York, New York 10005

(212) 530-5000

Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. ¨

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

The Registrants hereby amend this registration statement on such date or dates as may be necessary to delay its effective date until the Registrants shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to such Section 8(a), may determine.

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TABLE OF ADDITIONAL REGISTRANT GUARANTORS

Exact Name of Registrant as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	I.R.S Employer Identification Number	Industrial Classification Code Number
PanAmSat Communications Carrier Services, Inc.	California	95-3684190	4899
PanAmSat Communications Japan, Inc.	California	95-3976181	4899
PanAmSat Communications Services, Inc.	California	95-3270893	4899
Southern Satellite Corp.	Connecticut	06-1396534	4899
AccessPas, Inc.	Delaware	06-1586835	4899
PanAmSat International Holdings, LLC	Delaware	95-4130814	4899
Service and Equipment Corporation	Delaware	06-1614545	4899
Southern Satellite Licensee Corporation	Delaware	06-1532182	4899
PanAmSat India Marketing, L.L.C.	Delaware	None	4899
PanAmSat Asia Carrier Services, Inc.	Delaware	06-1532021	4899
PanAmSat Capital Corporation	Delaware	06-1371155	4899
PanAmSat India, Inc.	Delaware	06-1532023	4899
PAS International Employment, Inc.	Delaware	06-1475361	4899
PanAmSat International Sales, Inc.	Delaware	06-1532018	4899
PAS International, LLC	Delaware	None	4899
PanAmSat Licensee Corp.	Delaware	06-1369810	4899
USHI, LLC	Delaware	95-4130816	4899
PanAmSat International Systems, LLC	Delaware	06-1407851	4899
PanAmSat International Systems Marketing, L.L.C.	Delaware	None	4899
PanAmSat Satellite PAS 1R, Inc.	Delaware	20-1472039	4899
PanAmSat Satellite PAS 6B, Inc.	Delaware	55-0878680	4899
PanAmSat Satellite PAS 7, Inc.	Delaware	20-1472426	4899
PanAmSat Satellite PAS 8, Inc.	Delaware	20-1472451	4899
PanAmSat Satellite PAS 9, Inc.	Delaware	20-1472476	4899
PanAmSat Satellite PAS 10, Inc.	Delaware	20-1472491	4899
PanAmSat Satellite Galaxy 3C, Inc.	Delaware	20-1471588	4899
PanAmSat Satellite Galaxy 4R, Inc.	Delaware	20-1471713	4899
PanAmSat Satellite Galaxy 10R, Inc.	Delaware	20-1471804	4899
PanAmSat Satellite Galaxy 11, Inc.	Delaware	20-1471834	4899
PanAmSat Satellite Galaxy 12, Inc.	Delaware	20-1471854	4899
PanAmSat Satellite Galaxy 13, Inc.	Delaware	20-1471917	4899
PanAmSat Satellite HGS 3, Inc.	Delaware	20-1471366	4899
PanAmSat Satellite HGS 5, Inc.	Delaware	20-1471468	4899
PanAmSat Satellite Galaxy 1R, Inc.	Delaware	20-1471522	4899
PanAmSat Satellite Galaxy 3R, Inc.	Delaware	20-1471588	4899
PanAmSat Satellite Galaxy 5, Inc.	Delaware	20-1471747	4899
PanAmSat Satellite Galaxy 9, Inc.	Delaware	20-1471773	4899
PanAmSat Satellite Galaxy 14, Inc.	Delaware	20-1471944	4899
PanAmSat Satellite Leasat F5, Inc.	Delaware	20-1472011	4899
PanAmSat Satellite PAS 2, Inc.	Delaware	20-1472059	4899
PanAmSat Satellite PAS 3, Inc.	Delaware	20-1472087	4899
PanAmSat Satellite PAS 4, Inc.	Delaware	20-1472113	4899
PanAmSat Satellite PAS 5, Inc.	Delaware	20-1472383	4899
PanAmSat Satellite SBS 6, Inc.	Delaware	20-1472512	4899
PanAmSat Europe Corporation	Delaware	20-3131299	4899
PanAmSat H-2 Licensee Corp.	Delaware	20-3187992	4899
PanAmSat Satellite Galaxy 15, Inc.	Delaware	20-1471970	4899
PanAmSat Services, Inc.	Delaware	06-1377869	4899
PanAmSat Satellite Galaxy 16, Inc.	Delaware	20-5993755	4899

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The information in this prospectus is not complete and may be changed. This prospectus is not an offer to sell these securities nor a solicitation of an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, Dated February 8, 2007

PROSPECTUS

Exchange Offer for

9% Senior Notes due 2016

This is an offer to exchange any 9% Senior Notes due 2016 that you now hold for newly issued 9% Senior Notes due 2016. This offer will expire at 5:00 p.m. New York City time on March 30, 2007, unless we extend the offer. You must tender your original notes by this deadline in order to receive the new notes. We do not currently intend to extend the expiration date.

The exchange of outstanding original notes for exchange notes in the exchange offer will not constitute a taxable event for U.S. federal income tax purposes. The terms of the exchange notes to be issued in the exchange offer are substantially identical to the original notes, except that the exchange notes will be freely tradeable and will not benefit from the registration and related rights pursuant to which we are conducting this exchange offer. All untendered original notes will continue to be subject to the restrictions on transfer set forth in the original notes and in the applicable indenture.

There is no existing public market for your original notes, and there is currently no public market for the new notes to be issued to you in the exchange offer.

See Risk Factors beginning on page 28 for a description of the business and financial risks associated with the new notes.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is February , 2007.

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You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with additional or different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are offering to exchange the notes only in jurisdictions where these offers and exchanges are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus.

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The 9% Senior Notes due 2016 are referred to as the notes. Unless we indicate differently, when we use the term notes or new notes, we mean the new notes that we will issue to you if you exchange your original notes. However, unless we indicate differently, references to notes for periods prior to the exchange of the original notes for new notes means the original notes.

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SATELLITE NAME CHANGES

As indicated in the chart below, we recently renamed 11 of our satellites. Unless the context requires otherwise, references to satellites in this prospectus refer to the new names which became effective on February 1, 2007.

Location	Previous Name	New Name Effective February 1, 2007	Acronym
58°W	PAS-9	Intelsat 9	IS-9
45°W	PAS-1R	Intelsat 1R	IS-1R
43°W	PAS-3R	Intelsat 3R	IS-3R
43.1°W	PAS-6B	Intelsat 6B	IS-6B
26.15°E	PAS-5	Intelsat 5	IS-5
45°E	PAS-12	Intelsat 12	IS-12
	(Europe*Star 1)	(Europe*Star 1)	
68.65°E	PAS-7	Intelsat 7	IS-7
68.5°E	PAS-10	Intelsat 10	IS-10
72°E	PAS-4	Intelsat 4	IS-4
166°E	PAS-8	Intelsat 8	IS-8
169°E	PAS-2	Intelsat 2	IS-2

INDUSTRY AND MARKET DATA

This prospectus includes information with respect to market share and industry conditions from third-party sources or that is based upon estimates using such sources when available. While we believe that such information and estimates are reasonable and reliable, we have not independently verified any of the data from third-party sources, including *World Satellite Communication & Broadcasting Markets Survey*, *Market Forecasts to 2015* dated September 2006, by *Euroconsult*, *Broadband Satellite Markets,* 5th Edition, dated February 2006 and *Global Assessment of Satellite Demand,* 3rd Edition, dated November 2006, by *Northern Sky Research.* Similarly, our internal research is based upon our understanding of industry conditions, and such information has not been verified by any independent sources.

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PROSPECTUS SUMMARY

Intelsat Corporation is the obligor under the original notes and will be the obligor under the notes offered hereby. The notes will be guaranteed to the extent described herein by certain subsidiaries of Intelsat Corporation. You should read the following summary together with the more detailed information and financial statements and their notes included elsewhere in this prospectus. Investing in the notes involves significant risks, as described in the Risk Factors section. Unless otherwise indicated, or the context otherwise requires, financial information identified in this prospectus as pro forma gives effect to the consummation of the Transactions as defined below in The Transactions, in the manner described under Unaudited Pro Forma Condensed Consolidated Financial Information. In this prospectus, unless otherwise indicated or the context otherwise requires, (1) the terms PanAmSat Opco , we , us, our, and the Company refer to Intelsat Corporation, formerly known as PanAmSat Corporation, PanAmSat Holdco s direct wholly owned subsidiary, on a pro forma basis and after giving effect to the Transactions, (2) the term PanAmSat Holdco refers to Intelsat Holding Corporation, formerly known as PanAmSat Holding Corporation, and not to its subsidiaries, on a pro forma basis and after giving effect to the Transactions, (3) the term PanAmSat refers to PanAmSat Holdco and its subsidiaries, including PanAmSat Opco, on a pro forma basis and after giving effect to the Transactions, (4) the term Prior Intelsat refers to Intelsat, Ltd. and its subsidiaries on a consolidated basis before giving effect to the Transactions, (5) the term Intelsat refers to Intelsat, Ltd. and its currently existing subsidiaries on a consolidated basis after giving effect to the PanAmSat Acquisition Transactions, (6) the term Intelsat Holdings refers to Intelsat, Ltd. s parent, Intelsat Holdings, Ltd., (7) the term Intelsat Bermuda refers to Intelsat (Bermuda), Ltd., PanAmSat Holdco s indirect parent on a pro forma basis and after giving effect to the Transactions, and Intelsat, Ltd. s direct wholly owned subsidiary, (8) the term Intelsat Sub Holdco refers to Intelsat Subsidiary Holding Company, Ltd., Intelsat Bermuda s indirect wholly owned subsidiary, (9) the term Intermediate Holdco refers to Intelsat Intermediate Holding Company, Ltd., Intelsat Bermuda s wholly owned subsidiary, and (10) the term PanAmSat Acquisition Transactions refers to the acquisition of PanAmSat by Intelsat Bermuda and the related transactions discussed in this Prospectus Summary. We recently renamed 11 of our satellites. See Satellite Name Changes in the forepart of this prospectus. Unless the context requires otherwise, references to satellites in this prospectus refer to the new names which became effective on February 1, 2007.

The Company

Overview

We are a leading provider of fixed satellite services worldwide and a leading provider of these services to each of the media and network services sectors through our large and modern fleet of 24 in-orbit satellites. We lease transponder capacity on our satellites to a variety of customers, including: television programmers that deliver programming to cable television systems, television broadcasters, direct-to-home, or DTH, television systems, Internet service providers, or ISPs, telecommunications companies and other corporations. The services that we provide to our customers are generally mission critical and our key customer relationships have been built over many years. Our customers include some of the world s leading media and communications companies, multinational corporations and ISPs. We believe we distribute more television channels over our network than any other company in the world. We operate in an attractive, well-developed sector of the satellite communications industry, which is benefiting from increasing demand for fixed satellite services capacity from private industry.

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The fixed satellite services sector is characterized by steady and predictable contracted revenue streams, high operating margins, strong free cash flows and long-term contractual commitments. As of September 30, 2006, our revenue backlog, which is based on long-term customer commitments, was approximately $4.3 billion, approximately 94% of which relates to contracts that are non-cancelable or cancelable only upon payment of substantial termination fees. For the nine months ended September 30, 2006 we generated revenue of $694.2 million.

Our in-orbit fleet is one of the world s largest commercial geosynchronous, or GEO, satellite networks, capable of reaching over 98% of the world s population. We also have an extensive terrestrial network, including global teleport facilities in the United States, which provide transmission, monitoring and control services for operating our fleet and transmission and other services for our customers. Following our acquisition by Prior Intelsat, we gained access to its fleet of 27 in-orbit satellites, which provides additional geographic coverage and back-up capacity and enables us to increase fill rates as our business grows. In addition to gaining access to Prior Intelsat s satellite fleet, we also gained access to its terrestrial network, which includes additional teleport facilities strategically located around the world, effectively expanding our ground support network.

The global fixed satellite services, or FSS, sector generated revenue of approximately $7.6 billion in 2005 according to *Euroconsult*. There are multiple growth areas that we believe will drive the continued expansion of the FSS industry. For example the increased transmission of high definition television, or HDTV, signals requires greater transmission capacity than standard definition signals, and will create additional demand for capacity. Also, the demand for the large, cost-effective private corporate networks made possible through the combination of our satellite fleet s broad geographic coverage and the use of small, low-cost terrestrial satellite terminals, commonly referred to as VSATs (very small aperture terminals), is expected to be a source of growth, especially in international markets where terrestrial networks are not well developed. Efforts by consumer communications companies to combine video services and telephony into a single platform, wired or mobile, should also benefit the FSS industry through increased requirements for the broadcast of video services to new and developing networks. In total, C and Ku-band transponder lease revenue in the FSS sector is expected to grow at a compound annual growth rate, or CAGR, of 3.8% from 2006 to 2011 according to *Northern Sky Research.*

The Acquisition

On August 28, 2005, Intelsat Bermuda, PanAmSat Holdco and Proton Acquisition Corporation, a wholly owned subsidiary of Intelsat Bermuda, signed a definitive merger agreement pursuant to which Intelsat Bermuda acquired all of the outstanding equity interests in PanAmSat Holdco for $25 per common share in cash, or approximately $3.2 billion in the aggregate (plus approximately $0.00927 per share as the pro rata share of undeclared regular quarterly dividends). Upon completion of the PanAmSat Acquisition Transactions on July 3, 2006, PanAmSat Holdco and Intelsat Sub Holdco became separate direct or indirect wholly owned subsidiaries of Intelsat Bermuda. As part of this transaction, approximately $3.2 billion in existing debt of PanAmSat Holdco and its subsidiaries was either refinanced or remained outstanding. Concurrently with the PanAmSat Acquisition Transactions, Intelsat General Corporation, the entity that operates Prior Intelsat s government services business, purchased our government services business. See The Transactions The PanAmSat Acquisition Transactions and The Transactions The Government Business Merger for more information concerning the acquisition of PanAmSat by Intelsat Bermuda.

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We expect the combination of Prior Intelsat and PanAmSat to benefit from many FSS industry growth opportunities, such as standard and high definition video distribution and provision of data applications primarily for corporate and broadband data networks. PanAmSat and Prior Intelsat had complementary customer bases, regional and customer sector market strengths, orbital locations and management. We believe the newly combined operations and assets of the two companies will allow us to expand and improve our service capabilities for existing and new customers. We also believe that the combination will provide the opportunity to generate increased cash flow and improved operating results as a result of significant operating and capital expense savings. We plan to attain these cost savings by fully integrating with Prior Intelsat, enabling us to eliminate redundant staff and to rationalize our satellite fleet and ground infrastructure.

The combined satellite fleet offers increased capacity for expanded services. For example, cable operators require fully protected services, which necessitates that operators maintain redundant capacity. This type of service has been in short supply over North America, but the combined fleet will enable us to expand the amount of capacity available for this level of service. Additionally, incremental backup capacity from Prior Intelsat s satellite fleet will allow us to increase fill rates on our satellites as our business grows, as well as enable us to serve broader geographies where there is additional demand.

Our Customer Sectors

We provide satellite capacity and related communication services for the transmission of video, data and voice connectivity. Our services are provided to two primary sectors: media and network services.

Media 62% of revenue for the nine months ended September 30, 2006

We are the largest and most comprehensive provider of FSS services to the media sector, based on the number of transponders contracted, and as a combined company we serve approximately 300 media customers worldwide, including Time Warner, Viacom and The Walt Disney Company. According to *Northern Sky Research*, video applications currently use more FSS capacity than any other application, representing approximately 62% of total global C and Ku-band FSS transponder demand in 2005, and are expected to grow at a CAGR of 4.3% from 2006 to 2011. We currently offer three primary types of services to our media customers: video distribution, direct-to-home and video contribution.

Video distribution services of high definition and standard content involve the transmission of entertainment, news, sports, and educational programming to content providers. Through our direct-to-home, or DTH, services, we transmit television channels for household reception, and through our video contribution services we offer either the full-time or short-term transmission of news, sports and other video programming from various locations to a central video production studio.

Network Services 27% of revenue for the nine months ended September 30, 2006

We are a leading provider of satellite capacity for corporate data and voice applications in the world, offering satellite capacity to telecommunications carriers, ISPs, and multinational corporations to support data and voice applications. We believe that the demand for satellite capacity for certain data and voice applications will continue to grow. For example, according to

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Northern Sky Research, demand for C and Ku-band FSS services for enterprise and small and medium size enterprise broadband VSATs, which are often used to support private corporate networks, is expected to grow at a CAGR of 9.2% between 2005 and 2010. Additional growth opportunities are driven by the proliferation of wireless services worldwide, which has created increased satellite demand for cellular backhaul and network extensions in developing regions due to unreliable or non-existent terrestrial infrastructure. Our network services offerings fall into three categories:

- Private business network services satellite capacity that we provide for secure, high speed corporate data networks used in a variety of business functions;

- Internet services satellite capacity that we provide to Internet service providers, or ISPs, for high data rate Internet connections and point-to-multipoint content distribution; and

- Consulting and technical services consulting and technical services that we perform for various third parties, including satellite manufacturers and other satellite operators.

We are a leading provider of managed solutions. Because of our strength in voice and data services, established customer relationships and extensive satellite and terrestrial network, we expect to benefit as customers increasingly look for more integrated services to meet their communications needs. As we optimize our capacity on our combined satellite fleet, we may increasingly offer these services on our satellites.

Government Services 4% of revenue for the nine months ended September 30, 2006

We derived 4% of our revenue for the nine months ended September 30, 2006 from our government services business, which was comprised of global satellite and related telecommunications services provided to the U.S. government, international government entities and their contractors. In connection with the consummation of the PanAmSat Acquisition Transactions, our government services business was purchased by Intelsat General Corporation, the entity that operates Prior Intelsat s government services business. See The Transactions The Government Business Merger.

Revenue from Affiliates 7% of revenue for the nine months ended September 30, 2006

Following the completion of the PanAmSat Acquisition Transactions on July 3, 2006, substantially all of the Prior Intelsat entities and substantially all of the PanAmSat entities entered into a master inter-company services agreement, or MISA, pursuant to which these entities provide services to each other.

Our Strengths

Our business is characterized by the following key strengths:

Leading FSS Position in Growing Regional Markets and Customer Sectors

We are a leading FSS provider and, based on number of transponders contracted, we hold the leading position in each of our customer sectors. As a result of our scale and leadership position, we expect to benefit from the following key growth areas in our business:

- *North American Video:* We are a leading transmission platform for the distribution of video programming to cable systems in North America. Through a combination of our

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long-standing customer relationships, key North American orbital slots, leading anchor tenant cable channels and reception of our signals by our combined company s approximately 8,500 qualified cable head-ends, we have been successful in creating cable neighborhoods. These cable neighborhoods are a powerful tool in attracting and retaining customers because ground infrastructure is specifically designed to receive information from our satellites, making switching costs significant.

High definition television: We intend to utilize our position and well situated capacity to better serve the rapidly growing high definition demand in the cable and broadcast arcs. The number of HDTV channels distributed to broadcasters and cable communities worldwide by FSS operators is forecasted to increase from 76 to 346 channels between 2006 and 2011, according to *Northern Sky Research*.

Direct-to-Home (DTH) providers: We are a leading provider of FSS capacity for global DTH services. In many international markets, DTH platform operators rely upon FSS capacity in order to deliver their programming services to their subscribers. According to *Northern Sky Research,* the demand for C and Ku-band FSS capacity used for DTH services is expected to grow at a CAGR of approximately 5.5% between 2006 and 2011.

Data and telecommunications services: We are the leading provider of FSS capacity for satellite voice and data services worldwide. We have relationships with virtually every incumbent telecom operator in every country in the world. Our leading position with telecommunications and data networking customers has positioned us to benefit from a number of recent trends, including the growth in wireless networks, which has resulted in increased demand for capacity to be used for cellular backhaul requirements, and the recent growth of voice over Internet protocol, or VoIP, which has resulted in increased demand for Internet trunking services in developing regions.

Stable and Diverse Revenue Generation

Our revenue and revenue backlog are diversified among service sectors, geographic regions, satellites and customers. No single satellite generated more than 11% of our revenue and, excluding revenues related to our MISA agreement with Prior Intelsat, no single customer accounted for more than 8% of our revenue during the nine months ended September 30, 2006. The diversity of our revenue base enables us to capitalize on changing market conditions and mitigates the impact of fluctuations in any specific service sector or geographic region and difficulties that any one customer may experience. The redundancy in our fleet also reduces the financial impact of satellite failures and protects against service interruption.

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We believe our substantial revenue backlog provides both significant near-term revenue visibility as well as a reliable stream of future revenues. As of September 30, 2006, our revenue backlog was approximately $4.3 billion, approximately 94% of which relates to contracts that are non-cancelable or cancelable only upon payment of substantial termination fees. By service sector and region, our revenue backlog as of September 30, 2006 was as follows:

Note: This revenue backlog data has been derived on a revenue basis to conform to Intelsat, Ltd. s presentation. Regional designation for revenue backlog is based on customer billing addresses.

Significant Free Cash Flow from Operations

We believe that our strong operating profits, modest capital expenditure profile and the cost saving opportunities resulting from our integration with Prior Intelsat will enable us to generate significant free cash flow from operations. The FSS sector requires sizable investment to develop and launch satellites. However, once satellites are operational, costs do not vary significantly, creating operating leverage which can lead to high margins and strong free cash flow from operations.

We have invested significantly in our fleet and the average fill rate and remaining service life of our 20 station-kept satellites as of September 30, 2006 were approximately 77% and approximately 6.7 years, respectively. As a result, we have the ability to add incremental customers and revenue without significant increases in satellite investment or costs of operations. Over time, we intend to consolidate the number of orbital locations required to serve our customers and we expect future capital allocation decisions will focus on the prudent selection of the number, size and characteristics of new satellites to be launched. Because of our disciplined approach towards fleet renewal, we expect that the capital expense needed to fund future replacement cycles will be significantly lower than the combined total of the prior replacement cycles of Prior Intelsat and PanAmSat. After our full integration into Prior Intelsat s operations, we expect the combined company to realize approximately $92 million in annual operating cost savings, $48 million of which is expected to be realized by Intelsat Corporation.

Leading Global Fleet and Infrastructure

We believe that we have one of the world s largest and most technologically advanced commercial communications systems comprised of a fleet of geosynchronous satellites, teleports, points of presence and leased and owned fiber. Our 24 satellites cover over 98% of the world s population and include satellite capacity in the C and Ku-bands that serve over 100 countries and territories.

We have incurred capital expenditures of approximately $1.1 billion through September 30, 2006 on seven satellites launched since 2001. We currently have two satellites in back-up positions, and to provide further resilience, we have access to Prior Intelsat s satellites, many of which are equipped with steerable beams that can be moved to cover areas with higher demand, enabling us to respond rapidly to changing market conditions and demand for satellite capacity. As we fully integrate our fleet with Prior Intelsat, additional in-orbit back-up capacity may become available and the number of in-orbit spares may change. In addition, once fully integrated, we expect the combined company to operate our global satellite fleet from a single consolidated operations center, and maintain a second operations center which can provide instantaneous restoration in the case of natural disasters or other events resulting in the loss of our primary satellite operations center. We also have terrestrial assets consisting of teleports, points of presence and leased fiber connectivity that complement our satellite network and enable us to provide customized managed solutions and to provide customers with global access to our fleet. Our market-leading fleet and infrastructure, flexibility and ability to offer comprehensive managed solutions allow us to provide integrated worldwide distribution and delivery services, reducing our customers risk of data loss or service interruptions.

Established Relationships with Premier Customers

We provide satellite services to approximately 830 customers, including many of the world s leading media and broadcasting organizations, multinational corporations, telecommunications companies and ISPs. We have developed close, long-standing relationships with our customers. We believe we are recognized by our customers as a resource for technical excellence and a partner in optimizing the performance of their networks. In most cases our services are mission critical to the delivery of our customers services. The following table includes examples of our customers for each service sector:

Service Sector Category	**Selected Customers**
Media	The Walt Disney Company (including The Disney Channel, ESPN & ABC), The News Corporation (including Sky Latin America, Sky Brazil, Sky Mexico, DirecTV, Inc., DirecTV Latin America & Fox Entertainment Group), Comcast (including E! Entertainment, The Golf Channel, WTCI (HITS) & Versus), Time Warner (including HBO, Turner Broadcasting, Warner Bros. & CNN), Viacom (including Showtime, BET & MTV), Multichoice Ltd., BBC, Sentech, Liberty Sports, Televisa, NHK and China Central Television
Network Services	Hughes Network Systems, National Public Radio, International Satellite Communications, Walgreens, General Communications Inc, Segovia, Equatorial Research & Marketing, and Microspace Communications

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Strong Management Team

We are led by Intelsat s senior management team with broad experience in the telecommunications, information technology and satellite industries. Intelsat s Chief Executive Officer, David McGlade, has over 20 years experience in the telecommunications industry, most recently serving as Chief Executive Officer of O2 UK, a leading U.K. cellular telephone company, prior to joining Intelsat in April 2005. James Frownfelter was appointed Intelsat s Chief Operating Officer upon the closing of the PanAmSat Acquisition Transactions, the same role in which he served at PanAmSat. Jeffrey Freimark was appointed Intelsat s Executive Vice President and Chief Financial Officer in May 2006, after most recently serving as Executive Vice President and Chief Financial Officer for health care concern, Beverly Enterprises, Inc. Phillip Spector, Intelsat s Executive Vice President and General Counsel, joined Intelsat in February 2005, and has over 20 years experience in the satellite industry. Joseph Wright, who served as the Chief Executive Officer of PanAmSat for almost five years, was appointed the Chairman of Intelsat s Board of Directors upon the closing of the PanAmSat Acquisition Transactions. We have built a strong leadership team both from within Prior Intelsat and PanAmSat, as well as outside these organizations. As of December 31, 2006, our senior management team and other designated employees collectively held approximately 4.2% of the outstanding voting equity of our ultimate parent, Intelsat Holdings.

Our Business Strategy

Our goal is to capitalize on our leadership position in the FSS sector to enhance our growth and free cash flow by pursuing the following key business strategies:

Execute a Disciplined Integration with Prior Intelsat

PanAmSat and Prior Intelsat have adopted a one company operating philosophy, and expect PanAmSat to fully integrate into Prior Intelsat s operations. The goal of our integration plan for the PanAmSat Acquisition Transactions was to identify the best operational alternatives that allow us to maintain or increase customer service while also generating targeted levels of cost savings. We currently expect complete functional integration within the first 12 to 18 months following the closing of the PanAmSat Acquisition Transactions and have already begun achieving key integration milestones, such as the transfer of operational control of two prior PanAmSat satellites to the primary Intelsat control center in Washington, D.C.

Our integration process includes four primary thrusts: sales and marketing, staffing, operations and facilities. The sales and marketing organizations were integrated shortly after the closing of the PanAmSat Acquisition Transactions, with near-term objectives that include network optimization in order to increase marketable capacity. We expect total headcount to decrease from approximately 1,370 at the closing of the PanAmSat Acquisition Transactions to approximately 1,000 by mid-year 2008. Most facility closures and integration of back office functions are expected to be complete by mid-year 2007. We expect to conclude much of the satellite fleet and operations center integration in 2007, with the process fully complete by the end of 2008. After the integration process is completed, we expect the combined company to realize approximately $92 million in annual operating cost savings, of which $48 million is expected to be realized by Intelsat Corporation. Prior to the closing of the PanAmSat Acquisition Transactions, our network integration planning indicated that three satellites of the combined company would not need to be replaced as we integrated our fleets, two of which are in the Intelsat Corporation fleet, with total expected savings of approximately $400.0 million over our

previous combined capital expense plans during the period 2006 to 2011. We also believe that

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we can maintain and grow market share in each of our customer sectors through capitalizing on our market leading positions while simultaneously reducing costs and capital expenditures, thus yielding higher margins and greater free cash flow.

Grow Our Business in the Media and Network Services Sectors

We believe that the media and network services sectors represent opportunities for revenue growth over the long-term for operators in the FSS industry. We intend to focus our resources on further penetrating these sectors in order to increase our profitability and free cash flow.

Media: We intend to expand our media services by continuing to capitalize on the strength of our cable neighborhoods, maintaining and growing our leadership position in HDTV distribution and expanding our DTH services. We believe that we are well positioned to grow both the distribution and contribution portions of our video business by continuing to develop and expand our cable neighborhoods in the United States, South America and the Asia-Pacific region. As cable operators build out their plant capacity, we have the opportunity to benefit as more channels, services and other data needs require satellite distribution to cable head-ends. Furthermore, as the number of channels grows, demand increases for our premium cable neighborhood satellites. In addition, many U.S. cable operators are increasingly faced with the need to offer non-English language programming to compete effectively with providers of direct broadcast satellite services in the United States. With strong content provider relationships and assets spanning the globe, we believe we can offer cable operators a rebroadcast package of international channels that is attractive from the standpoint of both cost and technical efficiency.

We also believe that demand for HDTV will experience significant growth in the coming years, which will result in the need for more satellite bandwidth. To fulfill the growing demand for HDTV, we will continue to build upon the success of the Galaxy 13/Horizons 1 satellite, which was placed in service as an HDTV neighborhood to attract the newest and fastest growing cable television sector. Since announcing our HDTV neighborhood on the Galaxy 13 satellite, the combined company has grown the number of HDTV channels carried by our system to 23. We also intend to continue to expand our ability to offer high-definition programmers an end-to-end service, such as is provided by our GlobalConnex® Media terrestrial network, which includes facilities at sports and other arenas that enable the capture and transport of high definition programming to satellite production facilities, which is then distributed through our cable neighborhoods.

Lastly, we will continue to build on our leading international DTH platform business, targeting Eastern Europe, Middle East, Africa and regions within Asia where we can use our available capacity and the flexibility of our satellite fleet to capture additional growth opportunities. We intend to develop new video communities by leveraging our existing satellites and relationships with successful DTH platform operators to capture growth in new DTH markets.

Network Services: We believe we are well positioned to expand our business serving network services customers by focusing on growing applications, including VSAT private data networks, solutions for mobile service providers and VoIP. We also expect to continue to serve telecom providers by marketing services to telecom companies in newly deregulated markets and by more efficiently packaging our existing services to current telecom customers.

We believe we are a leading provider of satellite services supporting private data applications such as VSAT networks, virtual private networks, or VPNs, and trunking solutions

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for ISPs. We will grow our business by continuing to build our wholesale relationships with major VSAT service providers in the largest and fastest growing regions and also by supporting providers of satellite-based broadband services. We intend to solidify our leadership position through partnering initiatives with data and IT services providers in key growth regions. We will also continue to develop and introduce managed solutions for regional service providers and corporations implementing VPNs and VoIP services. Leveraging our combined company s GlobalConnex and SPOTbytes managed solutions and Internet points of presence around the world, we will also continue to market managed solutions trunking services to regional ISPs that are seeking to grow their businesses by offering VoIP in their local markets.

We believe that we are well positioned with telecom service providers throughout the world. As the global leader in providing voice and data services, with a flexible and reliable network, technical expertise and well-established customer relationships, we expect to also grow by offering our services to new customers, such as competitive carriers in newly deregulated markets. New carrier companies and providers of competitive services, such as wireless communications and Internet services in newly deregulated regions, are seeking to introduce their services quickly and independently of established local carriers. In addition, there are still many countries that lack direct access to telecom cable interconnects or where internal infrastructure either does not exist or is unreliable. We have an extensive customer base of traditional telecommunications carriers that use our services to reach these regions. We intend to enhance our retention rates and generate new business by introducing new, more cost-effective technologies and managed solutions, providing our customers with more efficient use of our network.

Focus on Maximization of Free Cash Flow

We intend to manage our operating and capital expenses to optimize margins and free cash flow. We believe our operating leverage, modest capital expenditure needs in the near term and the cost saving opportunities that exist in connection with the integration into Prior Intelsat will allow us to generate significant free cash flow from operations. We have invested significantly in our fleet and as a result we have the ability to add incremental customers and revenue without significant increases in satellite investment or costs of operations. Through disciplined yield and capacity management, we intend to maximize the revenues generated by our assets. Over time, we intend to consolidate the number of satellites required to serve our customers and future capital allocation decisions will focus on the prudent selection of the number, size and characteristics of new satellites to be launched. As a result of our disciplined approach towards fleet renewal, we expect that the capital expense needed to fund future replacement cycles will be significantly lower than the combined total of the prior replacement cycles of Prior Intelsat and PanAmSat. Additionally, after our full integration into Prior Intelsat s operations, we believe our combined company can further enhance cash flow through the realization of approximately $92 million in expected annual operating cost savings, $48 million of which is expected to be realized by Intelsat Corporation.

Pursue Other Growth Opportunities

We believe that current trends in telecommunications and mobile applications will create new demand for FSS in the next few years. Our experience with global telecom operators and with video programming distributors positions us to identify requirements for new satellite services that arise from the convergence of voice, data and video onto single platforms, such as IPTV services being offered by telephone companies and video services being offered by mobile operators. In the future, we intend to pursue additional market opportunities through enhanced or new capabilities that will enable us to expand the market for FSS services.

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We have a proven track record of capitalizing on new growth opportunities and expanding the FSS market. New service introductions, such as our rapidly growing managed solutions business, have resulted in substantial new revenue streams. In April 2006 we announced the introduction of an IPTV integrated service that is targeted to small and mid-sized telephone companies, which may seek to offer television services to their wireline customers. We also intend to market this service to small and medium-sized cable system operators who are seeking more efficient transmission and expanded programming. We will continue to develop and introduce new products that leverage our existing assets and provide new sources of growth and profitability.

We have made substantial investments in our satellites, infrastructure, technical expertise and personnel. We leverage our expertise to find innovative ways to generate new sources of revenue. Examples of asset maximizing activities we have recently undertaken include our consulting and technical services, which include overseeing the construction and launch of other operators satellites; shared payloads through which we can achieve economies of scale by sharing satellite payloads among multiple parties; and the use of our infrastructure to host tracking, telemetry and control, or TT&C, and production equipment for third-party network operators, including assistance with the procurement, manufacture, launch and operation of others satellites.

We expect that near-term strategic opportunities in the FSS sector may involve smaller, regional or national satellite operators seeking joint ventures or revenue sharing arrangements in order to provide follow-on capacity for satellites that are aging and facing replacement. We plan to strengthen our position in providing services to these other satellite operators, while at the same time gaining access to strategic regional markets and increasing the utilization of our global fleet.

The Transactions

The PanAmSat Acquisition Transactions

On August 28, 2005, Intelsat Bermuda entered into a Merger Agreement, referred to as the Merger Agreement, with PanAmSat Holdco and Proton Acquisition Corporation, a wholly owned subsidiary of Intelsat Bermuda referred to as Merger Sub. Pursuant to the Merger Agreement, Intelsat Bermuda acquired PanAmSat Holdco on July 3, 2006 for total cash consideration of approximately $3.2 billion, with the stockholders of PanAmSat Holdco receiving $25.00 per common share (plus approximately $0.00927 as the pro rata share of undeclared regular quarterly dividends). Merger Sub was newly formed for the purpose of consummating the PanAmSat Acquisition Transactions. As part of this transaction, approximately $3.2 billion in existing debt of PanAmSat Holdco and its subsidiaries was either refinanced or remained outstanding.

In connection with, and in order to effect, the transactions contemplated by the Merger Agreement and the related financing, the following transactions occurred:

- Intelsat Bermuda created a new direct wholly owned subsidiary, Intermediate Holdco;

- Intelsat Bermuda transferred substantially all its assets (other than the capital stock of Merger Sub) and liabilities (including Intelsat Bermuda s 9 $^{1}/4$% Senior Discount Notes due 2015, referred to as the discount notes) to Intermediate Holdco; and

Merger Sub merged with PanAmSat Holdco, with PanAmSat Holdco continuing as the surviving corporation and being a direct wholly owned subsidiary of Intelsat Bermuda. Upon completion of this merger, referred to as the Merger Transaction, PanAmSat Holdco s equity holders immediately prior to the merger ceased to hold shares or other equity interests in PanAmSat Holdco.

The net proceeds of the original notes and the net proceeds of the $260.0 million Floating Rate Senior Notes due 2013, the $1.3 billion 11¼% Senior Notes due 2016, and the $750.0 million 9¼% Senior Notes due 2016, all issued by Intelsat Bermuda, and referred to collectively as the 2006 Intelsat Bermuda Notes, and a borrowing by Intelsat Bermuda under a new $600.0 million senior unsecured credit facility and available cash on hand of Intelsat Bermuda and PanAmSat Holdco and their respective subsidiaries were used to consummate the PanAmSat Acquisition Transactions and to pay related fees and expenses and to fund the purchase of PanAmSat Holdco s 10 3/8% Senior Discount Notes due 2014 tendered in the tender offer, described below, plus related fees and expenses. In addition, in connection with the PanAmSat Acquisition Transactions, Intelsat Sub Holdco entered into new senior secured credit facilities and PanAmSat Opco amended and restated its senior secured credit facilities to change certain of the terms thereunder.

Consummation of the PanAmSat Acquisition Transactions resulted in a change of control under the indenture governing PanAmSat Opco s outstanding 9% Senior Notes due 2014, giving the holders of those notes the right to require the issuer thereof to repurchase those notes at the price stated in the indenture therefor. On August 2, 2006, PanAmSat Opco commenced a tender offer, referred to as the Change of Control Offer, to purchase any and all of its outstanding $656.5 million aggregate principal amount of 9% Senior Notes due 2014 for cash. Upon consummation of the Change of Control Offer on September 29, 2006, approximately 0.03%, or $180,000 aggregate principal amount, of the outstanding 9% Senior Notes due 2014 were repurchased by PanAmSat Opco. The 9% Senior Notes due 2014 not tendered to PanAmSat Opco in the Change of Control Offer remain outstanding obligations of PanAmSat Opco.

In connection with and since the closing of the PanAmSat Acquisition Transactions, Intelsat Holdings, entered into share-based compensation arrangements under its existing 2005 Share Incentive Plan with certain directors, officers and key employees of Intelsat, PanAmSat and their respective subsidiaries. In the aggregate, these arrangements outstanding as of December 31, 2006 provided for the issuance of approximately 3.9% of the outstanding voting equity of Intelsat Holdings.

The transactions described above, including the Merger Transaction, the funding transactions, these share-based compensation arrangements and the use of cash on hand, are referred to collectively in this prospectus as the PanAmSat Acquisition Transactions.

The Government Business Merger

Following consummation of the PanAmSat Acquisition Transactions, Intelsat General Corporation, a wholly-owned indirect subsidiary of Intelsat Sub Holdco and referred to as IGen, acquired G2 Satellite Solutions Corporation, a subsidiary of PanAmSat Opco and the government services business of PanAmSat, referred to as G2 Satellite Solutions or G2, for cash consideration in the amount of $73.0 million by means of a merger in which G2 Satellite Solutions merged into IGen with IGen continuing as the surviving entity. We refer to this transaction as the Government Business Merger.

Other Intercompany Transactions

Following consummation of the PanAmSat Acquisition Transactions, substantially all of the employees of Intelsat Global Service Corporation were transferred to PanAmSat Opco pursuant to an employee transfer agreement and substantially all of the Intelsat entities and substantially all of the PanAmSat entities entered into the MISA pursuant to which certain PanAmSat entities and Intelsat entities provide services to each other. In each case, services are provided on terms that are not materially less favorable to each party than are available on an arms length basis and on terms that the board of directors of each of Intelsat Bermuda and PanAmSat Holdco determine to be fair. We refer to these transactions as the Other Intercompany Transactions.

The Tender Offer and Consent Solicitation

On May 30, 2006, PanAmSat Holdco commenced a tender offer, referred to as the Tender Offer, to purchase any and all of its outstanding $416.0 million aggregate principal amount at maturity 10 $^{3}/8$% Senior Discount Notes due 2014, referred to as the 10 $^{3}/8$% discount notes, for cash. Approximately 99.65% of the outstanding 10 $^{3}/8$% discount notes were repurchased by PanAmSat Holdco upon completion of the Tender Offer, at the closing of PanAmSat Acquisition Transactions. The 10 $^{3}/8$% discount notes not tendered to PanAmSat Holdco in the Tender Offer, or approximately $1.5 million aggregate principal amount, were repurchased by PanAmSat Holdco on August 29, 2006.

Intelsat Bermuda Intercompany Loan

Prior to and immediately after the consummation of the PanAmSat Acquisition Transactions, Intelsat Bermuda extended to PanAmSat Holdco several intercompany loans, referred to collectively as the Intelsat Bermuda Intercompany Loan, in an aggregate principal amount at the time of borrowing equal to approximately $1.3 billion, the proceeds of which were used by PanAmSat Holdco to fund a portion of the purchase price of the PanAmSat acquisition and to fund the purchase of the 10 $^{3}/8$% discount notes tendered in the Tender Offer, plus related fees, referred to collectively as the Tender Amount.

The PanAmSat Acquisition Transactions, the Government Business Merger, the Other Intercompany Transactions, the Tender Offer and the Intelsat Bermuda Intercompany Loan are referred to collectively in this prospectus as the Transactions.

Post-closing Transactions

Following the consummation of the PanAmSat Acquisition Transactions, PanAmSat Holdco and PanAmSat Opco were renamed as Intelsat Holding Corporation and Intelsat Corporation, respectively.

In addition, Intelsat Bermuda created a new direct wholly owned subsidiary organized in Gibraltar that owns all of the equity of a subsidiary organized in Luxembourg which owns all of the equity of a subsidiary organized in Poland, referred to as Intelsat Poland, which has registered a branch in Luxembourg, referred to as Intelsat Poland, Luxembourg Branch. Following the consummation of the PanAmSat Acquisition Transactions, Intelsat Bermuda effected the contribution of the Intelsat Bermuda Intercompany Loan to Intelsat Poland, Luxembourg Branch and, upon receipt of the necessary Federal Communications Commission, or FCC, and other regulatory approvals, Intelsat Bermuda effected the contribution of the stock

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of PanAmSat Holdco to Intelsat Poland, Luxembourg Branch, which became the parent of PanAmSat Holdco. Upon the consummation of these transactions, PanAmSat Holdco became an indirect subsidiary of Intelsat Bermuda.

These name changes, the creation of these new subsidiaries and Intelsat Bermuda s contribution of the Intelsat Bermuda Intercompany Loan and the stock of PanAmSat Holdco are referred to collectively as the Post-closing Transactions.

The Refinancings

On January 12, 2007, Intelsat Bermuda issued $600.0 million aggregate principal amount of floating rate senior notes due 2015, referred to as the Intelsat Bermuda Notes due 2015, and used the net proceeds thereof, together with cash on hand, to repay Intelsat Bermuda s outstanding $600.0 million senior unsecured credit facility, referred to as the Intelsat Bermuda Senior Unsecured Bridge Loan, and to pay related fees and expenses. In addition, on February 2, 2007, Intelsat Bermuda borrowed a $1.0 billion term loan due 2014 pursuant to a new unsecured credit agreement, referred to as the New Intelsat Bermuda Unsecured Credit Agreement. The proceeds of the borrowing thereunder were contributed to Intermediate Holdco, and Intermediate Holdco contributed the proceeds to Intelsat Sub Holdco, which used the proceeds, together with cash on hand, to redeem its outstanding $1.0 billion Floating Rate Senior Notes due 2012 and pay the related premium, fees and expenses. The issuance of the Intelsat Bermuda Notes due 2015, the borrowing under the New Intelsat Bermuda Unsecured Credit Agreement and the related repayment of Intelsat Bermuda s Senior Unsecured Bridge Loan and redemption of Intelsat Sub Holdco s $1.0 billion Floating Rate Senior Notes due 2012 are referred to collectively as the Refinancings.

Recent Development

On January 19, 2007, the Company further amended and modified its Amended and Restated Credit Agreement to reduce the Term Loan A-3 interest rate and Term Loan B-2 interest rate from a range of LIBOR plus 2.125% to LIBOR plus 2.875% to a range of LIBOR plus 1.75% to LIBOR plus 2.00%.

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Organizational Structure

The following chart summarizes our ownership, corporate structure and principal amount of third-party indebtedness outstanding upon completion of the Refinancings. The amount of existing indebtedness shown below is as of September 30, 2006.

(dollars in millions)

(1) Intelsat, Ltd. s senior notes are carried at a discount from their face value, created as a result of fair value accounting associated with the Acquisition Transactions. The amounts shown here do not reflect these discounts.

(2) Intelsat, Ltd. guarantees the existing senior notes noted in this table of Intelsat Bermuda and Intelsat Sub Holdco and the new unsecured term loan due 2014. Intelsat, Ltd. is also a co-obligor on the discount notes of Intermediate Holdco. The amounts shown here do not reflect Intelsat, Ltd. s obligations as co-obligor of the discount notes or its guarantees of the debt of Intelsat Bermuda or Intelsat Sub Holdco.

(3) Intelsat Bermuda guarantees the discount notes of Intermediate Holdco and the senior notes noted in this table of Intelsat Sub Holdco.

(4) The new unsecured term loan due 2014 under the New Intelsat Bermuda Unsecured Credit Agreement and the 9 1/4% Senior Notes due 2016 are guaranteed by Intelsat Sub Holdco and its subsidiaries that guarantee Intelsat Sub Holdco s notes.

(5) Intelsat Bermuda owns all of the stock of PanAmSat Holdco through its subsidiaries Intelsat (Gibraltar) Limited, Intelsat (Luxembourg) Sarl and Intelsat (Poland) Sp. z o.o. Intelsat Poland, Luxembourg Branch is the direct owner of the stock of PanAmSat Holdco.

(6) Intelsat, Ltd. is co-obligor of the discount notes.

(7) Intermediate Holdco guarantees the debt noted in this table of Intelsat Sub Holdco.

(8) Intelsat, Ltd. is a co-obligor of the discount notes and Intelsat Bermuda is a guarantor of the discount notes. This amount will accrete to approximately $478.7 million aggregate principal amount at February 1, 2010.

(9) Does not include Intelsat Bermuda s $750.0 million 9 1/4% Senior Notes due 2016 and the new unsecured term loan due 2014 that are guaranteed by Intelsat Sub Holdco and its subsidiaries that guarantee Intelsat Sub Holdco s notes.

(10) Total facility size is $300.0 million.

(11) The term loan is a $344.8 million facility.

(12) Does not include guarantees of debt of Intelsat Sub Holdco and Intelsat Bermuda.

(13) This note is guaranteed by Intelsat, Ltd.

(14) PanAmSat Holdco is the borrower of the Intelsat Bermuda Intercompany Loan. $250.0 million of the $1.3 billion Intelsat Bermuda Intercompany Loan is non-cash pay and will accrete to approximately $718 million aggregate principal amount at June 15, 2016.

(15) PanAmSat Holdco does not guarantee any of the debt of PanAmSat Opco.

(16) Certain of PanAmSat Opco s senior notes are carried at discounts or premiums from their face value, created as a result of fair value accounting associated with the PanAmSat Acquisition Transactions. The actual amounts shown do not reflect the aggregate unamortized discount of $13.8 million or premium accretion of $16.9 million.

(17) Total facility size is $250.0 million.

(18) These notes are not guaranteed by any entity other than certain subsidiaries of PanAmSat Opco.

(19) Refers to subsidiaries that guarantee Intelsat Bermuda s 9 1/4% Senior Notes due 2016 and Intelsat Bermuda s new unsecured term loan due 2014 and Intelsat Sub Holdco s senior notes.

(20) Refers to subsidiaries that guarantee the 9% Senior Notes due 2014 and the notes.

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Ownership of Intelsat

Upon the completion of the PanAmSat Acquisition Transactions, PanAmSat Holdco, which owns 100% of the equity interest of PanAmSat Opco, became 100% owned by Intelsat Bermuda. Following the consummation of the PanAmSat Acquisition Transactions and upon receipt of the necessary FCC and other regulatory approvals, Intelsat Bermuda effected the contribution of the stock of PanAmSat Holdco to Intelsat Poland, Luxembourg Branch, which became the parent of PanAmSat Holdco. Intelsat Bermuda is owned 100% by Intelsat, Ltd., which is 100% owned by Intelsat Holdings, Ltd. As of December 31, 2006, approximately 95.8% of Intelsat Holdings common equity was owned by the Investors. Investors include funds advised by or associated with Apax Partners Worldwide LLP and Apax Partners, L.P., referred to jointly as Apax Partners, Apollo Management V, L.P., referred to as Apollo, MDP Global Investors Limited, referred to as MDP Global, and Permira Advisers LLC, referred to as Permira. Each of Apax Partners, Apollo, MDP Global and Permira is referred to as a Sponsor and the funds advised by or associated with each Sponsor are referred to as an Investor group. The Investor groups collectively are referred to as the Investors. Prior to the acquisition of Prior Intelsat, funds advised by or associated with MDP Global transferred less than 0.1% of their interest in Intelsat Holdings to an unaffiliated investment partnership and references to the Investors include this partnership. As of December 31, 2006, our senior management team and other designated employees collectively held approximately 4.2% of the outstanding voting equity of our parent, Intelsat Holdings.

A brief description of each of the Sponsors is set forth below.

Apax Partners

Apax Partners, which includes Apax Partners Worldwide LLP, Apax Partners, L.P. and their affiliates, is a leading global private equity firm, with offices in London, Hong Kong, Madrid, Milan, Mumbai, Munich, New York, Paris, Stockholm and Tel Aviv. With over 30 years of experience, Apax Partners focuses on the following industry sectors: information technology, telecommunications, healthcare, media, financial services and retail/consumer. Apax Partners has funds under advice or management totaling approximately $20 billion globally. Recent investments in the telecommunications sector include Bezeq, Kabel Deutschland, Inmarsat, TDC and TIM Hellas.

Apollo Management, L.P.

Apollo Management, L.P. was founded in 1990 and is among the most active and successful private investment firms in the United States. Since its inception, Apollo and its affiliated investment entities have invested in excess of $13 billion in corporate transactions, in a wide variety of industries, both domestically and internationally. Apollo is currently investing its sixth corporate fund, Apollo Investment Fund VI, L.P., with total committed capital of over $10 billion. Apollo has significant expertise in the satellite sector through investments in Hughes Network Systems, Sirius Satellite Radio Inc. and SkyTerra Communications, Inc.

MDP Global Investors Limited

MDP Global Investors Limited is associated with Madison Dearborn Partners, LLC (also known as MDP), a private equity firm based in Chicago. Madison Dearborn Partners is one of the largest and most experienced private equity investment firms in the United States. MDP has raised over $14 billion of capital, and makes new investments through its most recent fund,

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Madison Dearborn Capital Partners V, a $6.5 billion investment fund raised in 2006. MDP focuses on management buyout transactions and other private equity investments across a broad spectrum of industries, including basic industries, communications, consumer, financial services, and health care. Over the last decade, MDP has been an active investor in the communications sector, with investments in such companies as Clearnet Communications, MetroPCS, Nextel Partners, Omnipoint Corporation, Telemundo Communications Group and XM Satellite Radio.

Permira

Permira, which includes Permira Advisers LLC and various other entities which act as advisers and consultants to the Permira funds, is a leading international private equity specialist, advising funds of approximately $25 billion. Permira is an independent business with offices in New York, Frankfurt, London, Madrid, Milan, Paris, Stockholm and Tokyo. Since 1985, the Permira funds have completed over 280 private equity transactions. Recent investments in the communications sector include debitel, Inmarsat, Premiere, SBS Broadcasting, Seat PG and TDC.

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The Exchange Offer

Notes Offered for Exchange	We are offering up to $575,000,000 in aggregate principal amount of our new 9% Senior Notes due 2016 in exchange for an equal aggregate principal amount of our original 9% Senior Notes due 2016 on a one-for-one basis;
	The new notes have substantially the same terms as the original notes you hold, except that the new notes have been registered under the Securities Act of 1933, as amended, referred to as the Securities Act of 1933, and therefore will be freely tradable and will not contain the provisions for an increase in the interest rate related to defaults in our agreement to carry out this exchange offer.
The Exchange Offer	We are offering to exchange $2,000 principal amount, or integral multiples of $1,000 in excess thereof, of new notes for each $2,000 principal amount, or integral multiples of $1,000 in excess thereof, of your original notes. In order to be exchanged, your original notes must be properly tendered and accepted. All original notes that are validly tendered and not withdrawn will be exchanged.
Ability to Resell Notes	We believe that the new notes issued in the exchange offer may be offered for resale, resold and otherwise transferred by you without compliance with the registration and prospectus delivery provisions of the Securities Act of 1933 if: the notes issued in the exchange offer are being acquired in the ordinary course of your business; you are not participating, do not intend to participate and have no arrangement with any person to participate in the distribution of notes issued to you in the exchange offer; you are not an affiliate of ours; and you are not a broker-dealer tendering original notes acquired directly from us for your own account.
	By tendering your original notes as described below, you will be making representations to this effect. See The Exchange Offer Representations We Need From You Before You May Participate in the Exchange Offer.
Those Excluded from the Exchange Offer	You may not participate in the exchange offer if you are:

a holder of original notes in any jurisdiction in which the exchange offer is not, or your acceptance will not be, legal under the applicable securities or blue sky laws of that jurisdiction; or

a holder of original notes who is an affiliate of ours.

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Consequences of Failure to Exchange Your Original Notes	After the exchange offer is complete, you will no longer be entitled to exchange your original notes for registered notes. If you do not exchange your original notes for new notes in the exchange offer, your original notes will continue to have the restrictions on transfer contained in the original notes and in the indenture governing the original notes. In general, your original notes may not be offered or sold unless registered under the Securities Act of 1933, unless there is an exemption from, or unless in a transaction not governed by, the Securities Act of 1933 and applicable state securities laws. We have no current plans to register your original notes under the Securities Act of 1933.
Expiration Date	The exchange offer expires at 5:00 p.m., New York City time, on March 30, 2007, the expiration date, unless we extend the offer. We do not currently intend to extend the expiration date.
Conditions to the Exchange Offer	The exchange offer has customary conditions that may be waived by us. There is no minimum aggregate amount of original notes that must be tendered to complete the exchange offer.
Procedures for Tendering Your Original Notes	If you wish to tender your original notes for exchange in the exchange offer, you or the custodial entity through which you hold your notes must send to Wells Fargo Bank, National Association, the exchange agent, on or before the expiration date of the exchange offer:

- a properly completed and executed letter of transmittal, which has been provided to you with this prospectus, together with your original notes and any other documentation requested by the letter of transmittal; and
- for holders who hold their positions through The Depository Trust Company, referred to as DTC:
  - an agent s message from DTC stating that the tendering participant agrees to be bound by the letter of transmittal and the terms of the exchange offer;
  - your original notes by timely confirmation of book-entry transfer through DTC; and
  - all other documents required by the letter of transmittal.

Holders who hold their positions through Euroclear and Clearstream, Luxembourg must adhere to the procedures

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	described in The Exchange Offer Procedures for Tendering Your Original Notes.
Special Procedures for Beneficial Owners	If you beneficially own original notes registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender your original notes in the exchange offer, you should contact the registered holder promptly and instruct it to tender on your behalf.
Guaranteed Delivery Procedures for Tendering Original Notes	If you wish to tender your original notes and the original notes are not immediately available, or time will not permit your original notes or other required documents to reach Wells Fargo Bank, National Association before the expiration date, or the procedure for book-entry transfer cannot be completed on a timely basis, you may tender your original notes according to the guaranteed delivery procedures set forth under The Exchange Offer Guaranteed Delivery Procedures.
Withdrawal Rights	You may withdraw the tender of your original notes at any time prior to 5:00 p.m., New York City time, on the expiration date.
U.S. Tax Considerations	The exchange of original notes for new notes will not constitute a taxable event for U.S. federal income tax purposes. Rather, the notes you receive in the exchange offer will be treated as a continuation of your investment in the original notes. For additional information regarding U.S. federal income tax considerations, you should read the discussion under Taxation United States.
Use of Proceeds	We will not receive any proceeds from the issuance of the notes in the exchange offer. We will pay all expenses incidental to the exchange offer.
Exchange Agent	Wells Fargo Bank, National Association is serving as the exchange agent. Its address, telephone number and facsimile number are:

Wells Fargo Bank, N.A.

Corporate Trust Services

608 2nd Avenue South

Northstar East Building 12th Floor

Minneapolis, MN 55402

Telephone: (800) 344-5128

Fax: (612) 667-6282

Please review the information under the heading The Exchange Offer for more detailed information concerning the exchange offer.

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The Notes

The summary below describes the principal terms of the notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The Description of the Notes section of the prospectus contains a more detailed description of the terms and conditions of the notes.

Issuer	Intelsat Corporation.
Securities Offered	$575,000,000 9% Senior Notes.
	The terms of the new notes will be identical in all material respects to the terms of the original notes, except that the new notes have been registered and therefore will not contain transfer restrictions and will not contain the provisions for an increase in the interest rate related to defaults in the agreement to carry out this exchange offer.
Maturity	The notes will mature on June 15, 2016.
Interest Rate	The notes will bear interest at a rate of 9% per annum.
Interest Payment Dates	Interest will be paid on the notes on each June 15 and December 15, beginning on December 15, 2006.
Guarantees	PanAmSat Opco s obligations under the notes will be guaranteed on an unsecured senior basis by each of PanAmSat Opco s existing and certain of PanAmSat Opco s future domestic subsidiaries.
Ranking	The notes will be senior unsecured obligations of PanAmSat Opco and will rank:
	equal in right of payment with the existing and future senior unsecured indebtedness of PanAmSat Opco;
	effectively junior in right of payment to the existing and future secured indebtedness (to the extent of the value of the security for that indebtedness) of PanAmSat Opco; and
	structurally junior in right of payment to the existing and future indebtedness of PanAmSat Opco s existing and future subsidiaries that are not guarantors.

The guarantees of the notes will be the guarantors senior unsecured obligations and will rank:

equal in right of payment with the existing and future senior unsecured indebtedness of each guarantor;

effectively junior in right of payment to the existing and future secured indebtedness (to the extent of the value

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of the security for that indebtedness) of each guarantor; and

structurally junior in right of payment to the existing and future indebtedness of the existing and future subsidiaries of the guarantors that are not guarantors.

As of September 30, 2006, the aggregate amount of PanAmSat Opco s and the guarantors outstanding senior third party indebtedness was approximately $3.5 billion, approximately $2.3 billion of which was secured. As of September 30, 2006, PanAmSat Opco had availability of $195.4 million (net of standby letters of credit of approximately $54.6 million) under its revolving credit facility. The aggregate availability under PanAmSat Opco s and Intelsat Sub Holdco s revolving credit facilities is subject to compliance by Intelsat, Ltd. with a secured debt covenant, and as a result such aggregate availability was limited to $404.2 million as of September 30, 2006. None of PanAmSat Opco s foreign subsidiaries will guarantee the notes offered hereby.

Optional Redemption	PanAmSat Opco may redeem all or a portion of the notes at any time prior to June 15, 2011 at a price equal to 100% of the principal amount thereof plus the make-whole premium described in the Description of the Notes section under the heading Optional Redemption.
	PanAmSat Opco may redeem all or a portion of the notes at any time and from time to time on or after June 15, 2011 at the redemption described in the Description of the Notes section under the heading Optional Redemption, plus accrued and unpaid interest.
Optional Redemption After Equity Offerings	At any time, which may be more than once, before June 15, 2009, PanAmSat Opco may redeem up to 35% of the outstanding notes with the proceeds of certain equity offerings and capital contributions, as long as:

PanAmSat Opco pays a redemption price equal to 109.0% of the principal amount of the notes;

the applicable notes are redeemed within 90 days of completing such equity offering or of such capital contribution; and

at least 65% of the aggregate principal amount of the notes remains outstanding afterwards.

Change of Control Offer	If a change of control occurs, each holder of the notes may require PanAmSat Opco to repurchase all or a portion of such holder s notes at a price equal to 101% of their principal amount, plus accrued and unpaid interest, if any, to the date of repurchase.

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	PanAmSat Opco might not be able to pay you the required price for notes you present to it at the time of a change of control, because: PanAmSat Opco might not have enough funds at that time; or the terms of PanAmSat Opco s other indebtedness may prevent it from paying.
Asset Sale Proceeds	If PanAmSat Opco or its subsidiaries engage in asset sales or receive certain proceeds from certain events of loss, PanAmSat Opco generally must either invest the net cash proceeds from such sales or events of loss in its business within a specified period of time, prepay senior indebtedness or make an offer to purchase a principal amount of the notes equal to the excess net cash proceeds. The purchase price of the notes will be 100% of their principal amount, plus accrued interest.
Certain Indenture Provisions	The indenture governing the notes will contain covenants that, among other things, limit PanAmSat Opco s and its restricted subsidiaries ability to, among other things: incur or guarantee additional indebtedness or issue disqualified or preferred stock; create liens; enter into sale and lease-back transactions; pay dividends or make other equity distributions; repurchase or redeem capital stock; make investments; sell assets or consolidate or merge with or into other companies; create limitations on the ability of its restricted subsidiaries to make dividends or distributions to it; and engage in transactions with affiliates.

	These covenants are subject to important exceptions and qualifications, which are described under Description of the Notes Certain Covenants.
Risk Factors	Investing in the notes involves substantial risks. See Risk Factors for a description of certain of the risks you should consider before investing in the notes.

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SUMMARY HISTORICAL CONSOLIDATED FINANCIAL DATA

The following information is only a summary and should be read in conjunction with the historical Selected Consolidated Financial Data, Management s Discussion and Analysis of Financial Condition and Results of Operations, Unaudited Pro Forma Condensed Consolidated Financial Information and the consolidated audited and unaudited financial statements and their notes included elsewhere in this prospectus, as well as the other financial information included in this prospectus.

The summary historical consolidated financial data for PanAmSat Opco as of and for the years ended December 31, 2003, 2004 and 2005 has been derived from the audited consolidated financial statements of PanAmSat Opco. The consolidated statement of operations data and cash flow data for each of the years in the three-year period ended December 31, 2005 and the consolidated balance sheet data as of December 31, 2004 and 2005 have been derived from PanAmSat Opco s audited consolidated financial statements included elsewhere in this prospectus. The consolidated balance sheet data as of December 31, 2003 has been derived from audited consolidated financial statements that are not included in this prospectus. The consolidated statement of operations data and cash flow data for the nine months ended September 30, 2005, the period January 1, 2006 to July 1, 2006, and the period July 1, 2006 to September 30, 2006 and the consolidated balance sheet data as of September 30, 2006 are derived from unaudited consolidated financial statements included elsewhere in this prospectus. The unaudited consolidated financial statements have been prepared on the same basis as the audited consolidated financial statements and, in the opinion of our management, include all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the information set forth herein. Interim financial results are not necessarily indicative of results that may be expected for the full year or any future reporting period.

As a result of the consummation of the PanAmSat Acquisition Transactions, the financial results for the nine months ended September 30, 2006 have been separately presented for the Predecessor Entity for the period January 1, 2006 through July 1, 2006 and for the Successor Entity for the period July 1, 2006 through September 30, 2006. Although the effective date of the PanAmSat Acquisition Transactions was July 3, 2006, due to the immateriality of the results of operations for the period between July 1, 2006 and July 3, 2006, we have accounted for the consummation of the PanAmSat Acquisition Transactions as if they had occurred on July 1, 2006, except for acquisition transaction costs which were recorded within the predecessor period of July 1, 2006.

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	Predecessor Entity					Successor Entity Period
	Year ended December 31,			Nine Months Ended	Period	
	2003	2004	2005	September 30, 2005 (1)	January 1 to July 1, 2006	July 1 to September 30, 2006
	(dollars in thousands except where stated)					
Consolidated Statement of Operations Data:						
Operating leases, satellite services and other	$ 814,006	$ 811,124	$ 847,149	$ 621,183	$ 436,864	$ 200,177
Revenue from affiliates						51,227
Outright sales and sales-type leases (2)	17,005	15,946	13,854	10,595	5,895	
Total revenues	831,011	827,070	861,003	631,778	442,759	251,404
Operating Costs and Expenses:						
Cost of outright sales and sales-type leases		2,224	(4,303)	(4,303)	(1,943)	
Depreciation and amortization	312,833	294,822	276,925	205,791	138,655	71,866
Direct operating costs (exclusive of depreciation and amortization)	149,696	157,354	143,870	99,811	70,977	44,304
Costs from affiliates						18,468
Selling, general and administrative expenses	86,081	110,898	74,969	56,777	38,033	25,068
Prior sponsor management fees		731	10,444	10,444		
Facilities restructuring and severance costs	4,227	6,192	4,294			
Restructuring and transaction costs				3,974	145,186	5,213
Loss on termination of sales-type lease			2,307	2,307		
(Gain) loss on undesignated interest rate swap			(6,611)	305	(23,140)	14,328
Gain on insurance claims		(9,090)				
Gain on sale of teleport		(11,113)				
Satellite impairment loss		99,946				
Transaction-related costs		155,131				
Total operating cost and expenses	552,837	807,095	501,895	375,106	367,768	179,247
Income from operations	278,174	19,975	359,108	256,672	74,991	72,157
Interest expense, net	143,632	186,754	261,383	211,875	107,601	70,710
Other income (expense), net				1,524	(2,679)	1,443
Income (loss) before income taxes	134,542	(166,779)	97,725	46,321	(35,289)	2,890
Income tax expense (benefit)	35,010	(91,290)	2,105	7,095	8,007	527
Net income (loss)	$ 99,532	$ (75,489)	$ 95,620	$ 39,226	$ (43,296)	$ 2,363
Consolidated Cash Flow Data:						
Net cash provided by operating activities	$ 472,504	$ 293,274	$ 413,919	$ 272,408	$ 250,389	$ 62,904
Net cash provided by (used in) investing activities	70,111	574,282	(247,195)	(180,881)	(133,012)	27,812
Net cash used in financing activities	(855,267)	(1,005,968)	(80,432)	(43,933)	(170,292)	(21,552)
Consolidated Balance Sheet Data (at end of period):						

Cash and cash equivalents	$ 176,087	$ 38,607	$ 125,945	$ 87,411		$ 142,736
Satellites and other property and equipment, net	2,306,705	1,955,664	1,949,560	1,984,222		1,834,040
Total assets	5,734,877	4,764,495	4,828,081	4,863,663		7,515,107
Total debt	1,700,000	3,608,000	2,932,000	2,936,100		3,502,037
PanAmSat Opco Other Data (balance sheet data at period end):						
Capital expenditures	$ 103,205	$ 177,130	$ 207,845	$ 142,179	$ 129,265	$ 28,858
Number of satellites (at period end)	25	23	23	23		24
EBITDA (3)	$ 591,007	$ 314,797	$ 636,033	$ 463,987	$ 210,967	$ 145,466
Ratio of earnings to fixed charges (4)	1.86x		1.33x	1.20x		1.01x

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(1) As a result of the PanAmSat Acquisition Transactions, certain prior period amounts have been reclassified to conform with Intelsat Ltd. s presentation.

(2) As a result of the PanAmSat Acquisition Transactions, certain of our accounting policies have been changed to conform with Intelsat, Ltd. s current accounting policies. As a result of the change to conform accounting policies, these outright sales and sales-type leases are now recognized as service contracts. Previously, under an outright sales contract, we sold all rights and title to a transponder to a customer, which in turn paid us the full amount of the sale price in cash at the commencement of the contract. At that time, we recognized the sale amount as revenues and recorded the cost of the transponder to cost of outright sales. Under sales-type leases, we recognized as revenues at the inception of the lease the net present value of the future minimum lease payments, but we continued to receive cash payments from the lessee throughout the term of the lease. In addition, during the life of the lease, we recognized as revenues the portion of each periodic lease payment deemed to be attributable to interest income. The principal difference between a sales-type lease and an operating lease is when revenues and related costs are recognized, but not when the cash is received.

(3) EBITDA consists of net income (loss) before interest, taxes and depreciation and amortization. EBITDA is a measure commonly used in the FSS sector, and we present our EBITDA to enhance your understanding of our operating performance. We use our EBITDA as one criterion for evaluating our performance relative to that of our peers. We believe that EBITDA is an operating performance measure, and not a liquidity measure, that provides investors and analysts with a measure of operating results unaffected by differences in capital structures, capital investment cycles and ages of related assets among otherwise comparable companies. However, EBITDA is not a measure of financial performance, and our EBITDA may not be comparable to similarly titled measures of other companies. You should not consider our EBITDA as an alternative to operating or net income, as an indicator of our operating performance, or as an alternative to cash flows from operating activities, as an indicator of cash flows, or as a measure of liquidity.

Set forth below is a reconciliation of net income (loss) to EBITDA for the years ended December 31, 2003, 2004 and 2005 and the nine months ended September 30, 2005, the period January 1, 2006 to July 1, 2006 and the period July 1, 2006 to September 30, 2006.

	Predecessor Entity					Successor Entity
	Year Ended December 31,			Nine Months Ended September 30,	Period January 1 to July 1,	Period July 1 to September 30,
	2003	2004	2005	2005	2006	2006
	(dollars in thousands)					
Net income (loss)	$ 99,532	$ (75,489)	$ 95,620	$ 39,226	$ (43,296)	$ 2,363
Add (Subtract):						
Interest expense, net	143,632	186,754	261,383	211,875	107,601	70,710
Income tax expense (benefit)	35,010	(91,290)	2,105	7,095	8,007	527
Depreciation and amortization	312,833	294,822	276,925	205,791	138,655	71,866
EBITDA	$ 591,007	$ 314,797	$ 636,033	$ 463,987	$ 210,967	$ 145,466

(4) For purposes of calculating the ratio of earnings to fixed charges, earnings represent income from continuing operations before income taxes, less capitalized interest, plus amortization of capitalized interest and fixed charges. Fixed charges include interest expense (including amortization of debt issuance costs), capitalized interest and the portion of operating rental expense that our management believes is representative of the interest component of rent expense. The ratio of earnings to fixed charges is not presented for the year ended December 31, 2004 and the period January 1 to July 1, 2006 as earnings were inadequate to cover fixed charges during those periods by $149.9 million and $35.2 million, respectively. The ratio of earnings to fixed charges excludes the impact of the amendment to the Company s Amended and Restated Credit Agreement on January 19, 2007.

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RISK FACTORS

You should carefully consider the risks described below before deciding to invest in the notes. The risks described below are not the only ones that we may face. Additional risks that are not currently known to us or that we currently consider immaterial may also impair our business, financial condition or results of operations.

Risk Factors Relating to Our Indebtedness and the Notes

If you do not elect to exchange your original notes for new notes, you will hold securities that are not registered and that contain restrictions on transfer.

The original notes that are not tendered and exchanged will remain restricted securities. If the exchange offer is completed, we will not be required to register any remaining original notes, except in the very limited circumstances described in the registration rights agreement for the original notes. That means that if you wish to offer, sell, pledge or otherwise transfer your original notes at some future time, they may be offered, sold, pledged or transferred only if an exemption from registration under the Securities Act of 1933 is available or, outside of the United States, to non-U.S. persons in accordance with the requirements of Regulation S under the Securities Act of 1933. Any remaining original notes will bear a legend restricting transfer in the absence of registration or an exemption from registration.

To the extent that original notes are tendered and accepted in connection with the exchange offer, any trading market for remaining original notes could be adversely affected.

We have a substantial amount of indebtedness, which may adversely affect our cash flow and our ability to operate our business, remain in compliance with debt covenants and make payments on our indebtedness, including the notes.

As of September 30, 2006, PanAmSat Opco and its subsidiaries, on a consolidated basis, had outstanding indebtedness of approximately $3.5 billion and PanAmSat Opco had availability of $195.4 million (net of standby letters of credit of approximately $54.6 million) under its revolving credit facility. The aggregate availability under PanAmSat Opco s and Intelsat Sub Holdco s revolving credit facilities is subject to compliance by Intelsat, Ltd. with a secured debt covenant, and as a result such aggregate availability was limited to $404.2 million as of September 30, 2006. As of September 30, 2006, Intelsat, Ltd., the direct parent of Intelsat Bermuda and the indirect parent of PanAmSat Holdco, and its subsidiaries, on a consolidated basis, had outstanding indebtedness of approximately $11.3 billion (including indebtedness of PanAmSat Holdco and its subsidiaries and capital leases).

In addition, notwithstanding the fact that PanAmSat Opco will not guarantee or otherwise agree to be liable for the indebtedness of PanAmSat Holdco, no assurance can be given that a court or other tribunal in a bankruptcy or similar proceeding would not seek to substantively consolidate the estates of PanAmSat Opco and PanAmSat Holdco. Substantive consolidation would effectively merge the assets and liabilities of affiliated entities, such as PanAmSat Holdco and PanAmSat Opco, in bankruptcy so that they will be treated as though held and incurred by one entity. In the event that a bankruptcy court were to reach such a finding, the notes would no longer be structurally senior to any indebtedness of PanAmSat Holdco.

Our substantial indebtedness could have important consequences. For example, it could:

- make it more difficult for us to satisfy our obligations with respect to indebtedness, including the notes, and any failure to comply with the obligations of any of our debt instruments, including financial and other restrictive covenants, could result in an event of default under the indenture governing the notes and the agreements governing such other indebtedness;

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- require us to dedicate a substantial portion of available cash flow to pay principal and interest on debt, which will reduce the funds available for working capital, capital expenditures, acquisitions and other general corporate purposes;

- limit our flexibility in planning for and reacting to changes in our business and in the industry in which we operate;

- limit our ability to engage in strategic transactions or implement our business strategies;

- limit our ability to borrow additional amounts; and

- place us at a disadvantage compared to our competitors who have less debt.

Any of the above listed factors could materially and adversely affect our business and results of operations. Furthermore, our interest expense could increase if interest rates rise because the entire amount of debt under PanAmSat Opco s senior secured credit facilities bears interest at floating rates. If we do not have sufficient earnings to service our debt, we may be required to refinance all or part of our existing debt, sell assets, borrow more money or sell securities, none of which we can guarantee we will be able to do on commercially reasonable terms or at all.

We will be able to incur significant additional indebtedness in the future. Although the instruments governing our indebtedness contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of important qualifications and exceptions and the indebtedness incurred in compliance with these restrictions could be substantial. If new debt is added to our existing debt levels, the related risks that we now face, including those described above, could intensify.

To service our indebtedness, we will require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control, and any failure to meet our debt service obligations could harm our business, financial condition and results of operations.

PanAmSat Opco s and its subsidiaries estimated payment obligations with respect to their indebtedness for the twelve months ended September 30, 2007 are comprised of approximately $39.0 million of principal payments and approximately $289.0 million of interest payments.

PanAmSat Opco s ability to pay interest on and principal of the notes and our ability to satisfy our other debt obligations will depend principally upon our future operating performance. As a result, prevailing economic conditions and financial, business and other factors, many of which are beyond our control, will affect our ability to make payments on our indebtedness. If we do not generate sufficient cash flow from operations to satisfy our debt service obligations, including payments on the notes, we may have to undertake alternative financing plans, such as refinancing or restructuring our indebtedness, selling assets, reducing or delaying capital investments or seeking to raise additional capital. Our ability to restructure or refinance our debt will depend on the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. In addition, the terms of existing or future debt instruments, including PanAmSat Opco s senior secured credit facilities and the indentures governing PanAmSat Opco s existing notes may restrict us from adopting some of these alternatives. Our inability to generate sufficient cash flow to satisfy our debt service obligations, including PanAmSat Opco s inability to service the notes or its other debt obligations, or to refinance its obligations on commercially reasonable terms, would have an adverse effect, which could be material, on our business, financial position, results of

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operations and cash flows, as well as on PanAmSat Opco s ability to satisfy its obligations in respect of the notes.

The terms of our indebtedness may restrict our current and future operations, particularly our ability to respond to changes in our business or to take certain actions.

The credit agreement governing PanAmSat Opco s senior secured credit facilities and the indentures governing PanAmSat Opco s existing notes contain, and any future indebtedness of ours would likely contain, a number of restrictive covenants that impose significant operating and financial restrictions on us, including restrictions that may limit our ability to engage in acts that may be in our best long-term interests. PanAmSat Opco s senior secured credit facilities include a financial covenant that requires it not to exceed a maximum senior secured leverage ratio. In addition, PanAmSat Opco s senior secured credit facilities limit its ability to make capital expenditures and require that it use the proceeds of certain asset sales that are not reinvested in its business to repay indebtedness under the senior secured credit facilities.

PanAmSat Opco s senior secured credit facilities also include covenants restricting, among other things, PanAmSat Opco s ability to:

- incur or guarantee additional debt or issue preferred stock;
- pay dividends, or make redemptions and repurchases, with respect to capital stock;
- create or incur certain liens;
- make certain loans, acquisitions, capital expenditures or investments; and
- engage in mergers, acquisitions, asset sales and sale and lease-back transactions.

The indentures relating to PanAmSat Opco s existing notes also contain numerous covenants including, among other things, restrictions on our ability to:

- incur or guarantee additional indebtedness or issue disqualified or preferred stock;
- create liens;
- enter into sale and lease-back transactions;
- pay dividends or make other equity distributions;
- repurchase or redeem capital stock;
- make investments or other restricted payments;

sell assets or consolidate or merge with or into other companies;

create limitations on the ability of our restricted subsidiaries to make dividends or distributions to us; and

engage in transactions with affiliates.

These covenants are subject to a number of qualifications and exceptions.

The operating and financial restrictions and covenants in our existing debt agreements and any future financing agreements may adversely affect our ability to finance future operations or capital needs or to engage in other business activities. A breach of any of the restrictive covenants in PanAmSat Opco s senior secured credit facilities could result in a default under such facilities. If any such default occurs, the lenders under the senior secured credit facilities may elect to declare all outstanding borrowings, together with accrued interest and other fees, to be immediately due and payable, enforce their security interest or require PanAmSat Opco to apply all of its available cash to repay these borrowings, any of which would result in an event of default under PanAmSat Opco s existing notes. Those lenders will also have the right in these circumstances to terminate any commitments they have to provide further borrowings. If we are unable to repay outstanding borrowings when due, the lenders under the senior secured credit facilities will have the right to proceed against the collateral granted to them to secure the debt owed to them. If the debt under our senior secured credit facilities were to be accelerated, our assets may not be sufficient to repay such debt in full or to repay PanAmSat Opco s existing notes and our other existing debt.

The notes and the guarantees of the notes are not secured by the assets of PanAmSat Opco or the guarantors, and the lenders under our senior secured credit facilities will be entitled to remedies available to a secured lender, which gives them priority over you to collect amounts due to them.

The notes and the guarantees of the notes will be PanAmSat s and the guarantors unsecured obligations. In contrast, the guarantors obligations under the senior secured credit facilities will be secured by a perfected lien on, and a pledge of, all of the capital stock of many of our direct and indirect material subsidiaries and substantially all of our tangible and intangible assets. The notes will be effectively subordinated to this secured debt to the extent of the value of the collateral securing such debt. In addition, PanAmSat Opco and the guarantors of the notes may incur additional secured debt, and the notes will be effectively subordinated to any such additional secured debt that PanAmSat Opco or such guarantors may incur to the extent of the value of the collateral securing such debt.

Because the notes and the guarantees will be unsecured obligations, the assets that secure our secured debt will be available to pay obligations on the notes only after all such secured debt has been repaid in full. Accordingly, your right of repayment may be compromised if any of the following situations occurs:

- we enter into bankruptcy, liquidation, reorganization or other winding-up proceedings;

- there is a default in payment under the senior secured credit facilities or other secured indebtedness; or

- there is an acceleration of any indebtedness under the senior secured credit facilities or other secured indebtedness.

If any of these events occur, the secured lenders could sell those of our assets in which they have been granted a security interest, to your exclusion, even if an event of default exists under the indenture for the notes at such time. As a result, upon the occurrence of any of these events, there may not be sufficient funds to pay amounts due on the notes.

You should not expect Intelsat, Ltd. or Intelsat Bermuda to participate in making any payments in respect of the notes. You should not expect PanAmSat Holdco to participate in making any payments in respect of the notes.

Neither Intelsat, Ltd. nor Intelsat Bermuda will be an obligor on the notes. You should not assign any value to the fact that Intelsat Bermuda is the indirect parent of PanAmSat Holdco and PanAmSat Opco. The covenants in the indenture governing the notes will not apply to Intelsat Bermuda or any direct or indirect parent of Intelsat Bermuda, including Intelsat, Ltd. and Intelsat Holdings, Ltd. Currently, Intelsat, Ltd. and Intelsat Bermuda and their existing subsidiaries have

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a substantial amount of indebtedness outstanding. As part of the Transactions, Intelsat Bermuda incurred substantial additional debt, the aggregate principal amount of which was approximately $2.9 billion. Additionally, Intelsat, Ltd. and Intelsat Bermuda may be able to incur significant additional indebtedness in the future, and the indenture governing the notes does not prohibit them from doing so.

PanAmSat Holdco will not be an obligor on the notes. You should not assign any value to the fact that PanAmSat Holdco owns all the shares of PanAmSat Opco and is the direct parent of PanAmSat Opco. The covenants in the indenture governing the notes will not apply to PanAmSat Holdco. As part of the Transactions, PanAmSat Opco incurred substantial additional debt, the aggregate principal amount of which was approximately $575.0 million. Additionally, PanAmSat Holdco and PanAmSat Opco may be able to incur significant additional indebtedness in the future, and the indenture governing the notes does not prohibit PanAmSat Holdco from doing so.

The issuer may not be able to repurchase the notes upon a change of control.

The indenture for the notes requires PanAmSat Opco to offer to repurchase some or all of the notes when certain change of control events occur. If PanAmSat Opco experiences a change of control, you will have the right to require PanAmSat Opco to repurchase your notes at a purchase price in cash equal to 101% of the principal amount of your notes plus accrued and unpaid interest, if any.

Any future credit agreement or other agreements relating to senior indebtedness to which PanAmSat Opco becomes a party may contain similar provisions. If PanAmSat Opco experiences a change of control that triggers a default under the senior secured credit facilities, PanAmSat Opco could seek a waiver of such default or seek to refinance the senior secured credit facilities. In the event that PanAmSat Opco does not obtain such a waiver or refinance the senior secured credit facilities, such default could result in amounts outstanding under the senior secured credit facilities being declared due and payable. In the event that PanAmSat Opco experiences a change of control that results in it having to repurchase the notes, PanAmSat Opco may not have sufficient financial resources to satisfy all of its obligations under the senior secured credit facilities and its notes and PanAmSat Opco may not be able to distribute amounts to PanAmSat Holdco because of restrictions in its debt instruments. In addition, the change of control covenant in the indenture governing the notes does not cover all corporate reorganizations, mergers or similar transactions and may not provide you with protection in a highly leveraged transaction. See Description of the Notes Change of Control.

Not all of PanAmSat Opco s subsidiaries will guarantee the notes, and the assets of PanAmSat Opco s non-guarantor subsidiaries may not be available to make payments on the notes.

Not all of PanAmSat Opco s subsidiaries will be required to guarantee the notes. In the event that any non-guarantor subsidiary becomes insolvent, liquidates, reorganizes, dissolves or otherwise winds up, holders of its indebtedness and its trade creditors generally will be entitled to payment on their claims from the assets of that subsidiary before any of those assets are made available to PanAmSat Opco. Consequently, your claims in respect of the notes will be effectively subordinated to all of the liabilities of PanAmSat Opco s non-guarantor subsidiaries, including trade payables, and any claims of third-party holders of preferred equity interests, if any, in PanAmSat Opco s non-guarantor subsidiaries.

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U.S. federal and state statutes allow courts, under specific circumstances, to void the notes and the related guarantees, subordinate claims in respect of the notes and the guarantees and require noteholders to return payments received from the PanAmSat Opco or the guarantors.

Certain of PanAmSat Opco s subsidiaries will guarantee the obligations under the notes. PanAmSat Opco s issuance of the notes and the issuance of the guarantees by the subsidiary guarantors may be subject to review under state and federal laws if a bankruptcy, liquidation or reorganization case or a lawsuit, including in circumstances in which bankruptcy is not involved, were commenced at some future date by, or on behalf of, our unpaid creditors or the unpaid creditors of a guarantor. Under the federal bankruptcy laws and comparable provisions of state fraudulent transfer laws, a court may void or otherwise decline to enforce the notes or a subsidiary guarantor s guarantee, or may subordinate the notes or such guarantee to our or the applicable subsidiary guarantor s existing and future indebtedness. While the relevant laws may vary from state to state, a court might do so if it found that when the notes were issued or when the applicable subsidiary guarantor entered into its guarantee, or, in some states, when payments became due under the notes or such guarantee, the issuer or the applicable subsidiary guarantor received less than reasonably equivalent value or fair consideration and either:

- was insolvent or rendered insolvent by reason of such incurrence;
- was engaged in a business or transaction for which its remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature.

A court would likely find that PanAmSat Opco or a subsidiary guarantor did not receive reasonably equivalent value or fair consideration for the notes or such guarantee if PanAmSat Opco or such subsidiary guarantor did not substantially benefit directly or indirectly from the issuance of the notes. The measures of insolvency for purposes of these fraudulent transfer laws vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, PanAmSat Opco or a subsidiary guarantor, as applicable, would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than the fair saleable value of its assets;
- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

A court might also void the notes or a guarantee, without regard to the above factors, if the court found that the notes were issued or the applicable subsidiary guarantor entered into its guarantee with actual intent to hinder, delay or defraud its creditors. In addition, any payment by PanAmSat Opco or a subsidiary guarantor pursuant to the notes or its guarantee could be voided and required to be returned to PanAmSat Opco or such subsidiary guarantor or to a fund for the benefit of PanAmSat Opco s or such guarantor s creditors, and accordingly the court might direct a holder of the notes to repay any amounts that such holder had already received from PanAmSat Opco or such subsidiary guarantor.

To the extent a court voids the notes or any of the guarantees as fraudulent transfers or holds the notes or any of the guarantees unenforceable for any other reason, holders of the

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notes would cease to have any direct claim against PanAmSat Opco or the applicable subsidiary guarantor. If a court were to take this action, PanAmsat Opco s or the applicable guarantor s assets would be applied first to satisfy PanAmSat Opco s or the applicable guarantor s liabilities, if any, before any portion of its assets could be applied to the payment of the notes. Sufficient funds to repay the notes may not be available from other sources, including the remaining guarantors, if any.

Each subsidiary guarantee will contain a provision intended to limit the guarantor s liability to the maximum amount that it could incur without causing the incurrence of obligations under its guarantee to be a fraudulent transfer. This provision may not be effective to protect the guarantees from being voided under applicable fraudulent transfer laws or may reduce the guarantor s obligation to an amount that effectively makes the guarantee worthless.

There has not been, and may not be, a public market for the notes.

The notes will be new issues of securities for which there is currently no market. We cannot guarantee the future development of a market for the notes or the ability of holders to sell, or the price at which holders may be able to sell, their notes. If the notes are traded after their initial issuance, they may trade at a discount from their initial offering price, depending upon prevailing interest rates, the market for similar securities and other factors. The initial purchasers have informed us that, subject to applicable laws and regulations, they currently intend to make a market in the notes. However, the initial purchasers are not obligated to do so, and any market making by them may be discontinued at any time without notice. Therefore, no assurance can be given as to whether an active trading market will develop for the notes or, if a market develops, whether it will continue.

We do not intend to apply for listing of the notes on any securities exchange or for quotation through Nasdaq.

Risk Factors Relating to Our Business

We are subject to significant competition both within the FSS sector and from other providers of communications capacity, such as fiber optic cable capacity. Competition from other telecommunications providers could have a material adverse effect on our business and could prevent us from implementing our business strategy and expanding our operations as planned.

We face significant competition in the FSS industry in different regions around the world. We compete against other satellite operators and against suppliers of ground-based communications capacity. The increasing availability of satellite capacity and capacity from other forms of communications technology has created an excess supply of telecommunications capacity in certain regions. Competition in the FSS industry lowers prices, which can reduce our operating margins and the cash available to fund our operations, service our debt obligations and pay dividends. In addition, there has been a trend toward consolidation of major FSS providers as customers increasingly demand more robust distribution platforms with network redundancies and worldwide reach, and we expect to face increased competition as a result of this trend. Our direct competitors are likely to continue developing and launching satellites with greater power and more transponders, which may create satellite capacity at lower costs. In order to compete effectively, we may have to invest in similar technology.

In addition, we believe that there are many companies that are seeking ways to improve the ability of existing land-based infrastructure, such as fiber optic cable, to transmit signals. Any

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significant improvement or increase in the amount of land-based capacity, particularly with respect to the existing fiber optic cable infrastructure and point-to-point applications, may cause our video services customers to shift their transmissions to land-based capacity or make it more difficult for us to obtain new customers. If fiber optic cable networks or other ground-based high-capacity transmission systems are available to service a particular point, that capacity, when available, is generally less expensive than satellite capacity. As land-based telecommunications services expand, demand for some satellite-based services may be reduced.

Failure to compete effectively with other FSS operators and to adapt to new competition and new technologies or failure to implement our business strategy while maintaining our existing business would result in a loss of revenue and a decline in profitability, a decrease in the value of our business and a downgrade of our credit ratings, which would restrict our access to the capital markets.

The market for fixed satellite services may not grow or may shrink and therefore we may not be able to attract new customers, retain our existing customers or implement our strategies to grow our business. In addition, pricing pressures may have an adverse impact on FSS sector revenues.

The FSS sector, as a whole, is currently expected to experience moderate growth over the next few years. However, the market for fixed satellite services may not grow or may shrink. Competing technologies, such as fiber optic cable, are continuing to adversely affect the point-to-point segment of the FSS sector. In the point-to-multipoint segment, the global economic downturn, the transition of video traffic from analog to digital and continuing improvements in compression technology have negatively impacted demand for certain fixed satellite services. Developments that we expect to support the growth of the satellite services industry, such as continued growth in data traffic and the proliferation of HDTV and niche programming, may fail to materialize or may not occur in the manner or to the extent we anticipate. Any of these industry dynamics could negatively affect our operations and financial condition.

Because the market for fixed satellite services may not grow or may shrink, we may not be able to attract customers for the managed solutions that we are providing as part of our strategy to sustain our business. Reduced growth in the FSS sector may also adversely affect our ability to retain our existing customers. A shrinking market could reduce the number and value of our customer contracts and would have a material adverse effect on our business and results of operations. In addition, there could be a substantial negative impact on our credit ratings and our ability to access the capital markets.

Pricing trends in recent years have negatively impacted our revenue. In particular, pricing pressure for services in the Asian and Latin American markets due to overcapacity and regional economic downturns has negatively impacted FSS operators revenue in these markets. Pricing may not stabilize in the Asian and Latin American markets, which may impact overall revenues for the FSS sector.

Our financial condition could be materially and adversely affected if we were to suffer a loss that is not adequately covered by insurance.

As of September 30, 2006, we had in effect launch and in orbit insurance policies covering four satellites, which had an aggregate net book value of $437.9 million. As of September 30, 2006, we had 20 uninsured satellites in orbit that had a net book value in the aggregate of $887.7 million.

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Of the insured satellites, as of September 30, 2006, one was covered by an insurance policy with substantial exclusions or exceptions to coverage for failures of specific components identified by the underwriters as at risk for possible failure, or Significant Exclusion Policies, and some of the insured satellites are covered by policies with deductibles related to specific components identified by the insurers as the most likely to fail or by a policy with a lower coverage amount than the carrying value of its insurable costs. The exclusions reduce the probability of an insurance recovery in the event of a loss on this satellite. Galaxy 13/Horizons 1, which was placed in service in January 2004 by PanAmSat Opco and is insured by a policy with an exclusion for Xenon-Ion Propulsion Systems (XIPS) related anomalies, continues to have XIPS available as its primary propulsion system. It also has a bi-propellant system, currently in use, with available backup bi-propellant of approximately 10.3 years as of September 30, 2006. Any claims under existing policies are subject to settlement with the insurers. We do not generally obtain insurance to cover the risk of revenues lost as a result of satellite anomalies, and therefore if insurance were to cover a loss relating to a launch or in-orbit failure, we would not be adequately compensated for lost revenues attributable to that loss.

At September 30, 2006, the uninsured satellites and the satellite insured by a Significant Exclusion Policy had a total net book value and other insurable costs of approximately $951.8 million. Of this amount, $64.1 million related to the satellite insured by a Significant Exclusion Policy.

As our insurance policies expire, we may elect to reduce or eliminate insurance coverage relating to certain of our satellites to the extent permitted by our debt agreements if, in our view, exclusions make such policies ineffective or the costs of coverage make such insurance impractical and if we believe that we can more reasonably protect our business through the use of in-orbit spare satellites, backup transponders and self-insurance. A partial or complete failure of a revenue-producing satellite, whether insured or not, could require additional, unplanned capital expenditures, an acceleration of planned capital expenditures, interruptions in service, a reduction in revenue backlog and lost revenue and could have a material adverse effect on our business, financial condition and results of operations.

We maintain third-party liability insurance. This insurance, however, may not be adequate or available to cover all third-party liability damages that may be caused by any of our satellites, and we may not in the future be able to renew our third-party liability coverage on reasonable terms and conditions, if at all.

We have several large customers and the loss of, or default by, any one of them could materially reduce our revenue and materially adversely affect our business.

We rely on a limited number of customers to provide a substantial portion of our revenues and revenue backlog. For the nine months ended September 30, 2006 and the year ended December 31, 2005, our ten largest customers and their affiliates represented approximately 43% and 38%, respectively, of our revenue. The loss of, or default by, any of these customers could significantly affect our revenue and operating margins.

Some customers have in the past defaulted and, although we monitor our larger customers financial performance and seek deposits, guarantees and other methods of protection against default where possible, our customers may in the future default on their obligations to us due to bankruptcy, lack of liquidity, operational failure or other reasons. Defaults by any of our larger customers or by a group of smaller customers who, collectively, represent a significant portion of our revenues could adversely affect our revenues, operating margins and cash flows. If our

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revenue backlog is reduced due to the financial difficulties of our customers, our revenue and operating margins would be further negatively impacted.

Our business is capital intensive, and we may not be able to raise adequate capital to finance our business strategies, or we may be able to do so only on terms that significantly restrict our ability to operate our business.

Implementation of our business strategy requires a substantial outlay of capital. As we pursue our business strategies and seek to respond to opportunities and trends in our industry, our actual capital expenditures may differ from our expected capital expenditures and there can be no assurance that we will be able to satisfy our capital requirements in the future. We expect that the majority of our liquidity requirements in 2007 will be satisfied by cash on hand and cash generated from our operations. However, if we determine we need to obtain additional funds through external financing and are unable to do so, we may be prevented from fully implementing our business strategy.

The availability and cost to us of external financing depend on a number of factors, including our credit rating and financial performance and general market conditions. Both our credit rating, which was downgraded by Moody s Investors Service, Inc. and by Standard & Poor s Ratings Group in June 2006, and our ability to obtain financing generally may be influenced by the supply and demand characteristics of the telecommunications sector in general and of the FSS sector in particular. Declines in our expected future revenue under contracts with customers and challenging business conditions faced by our customers are among the other factors that may adversely affect our credit. Other factors that could impact our credit rating include the amount of debt in our current capital structure, activities associated with our strategic initiatives, our expected future cash flows and the capital expenditures required to execute our business strategy. The overall impact on our financial condition of any transaction that we pursue may be negative or may be negatively perceived by the financial markets and ratings agencies and may result in adverse rating agency actions with respect to our credit rating. A credit rating downgrade or deterioration in our financial performance could limit our ability to obtain financing or could result in any such financing being available only at greater cost or on more restrictive terms than might otherwise be available.

Our indentures and the agreements related to our senior secured credit facilities impose restrictions on us that may limit our flexibility in conducting our business and implementing our strategies. For example, our senior secured credit facilities contain financial and operating covenants that, among other things, require us to not exceed a maximum senior secured leverage ratio and limit our ability to pledge our assets as security for additional borrowings. These restrictions will likely make it more difficult for us to obtain further external financing if we require it and could significantly restrict our ability to operate our business.

We are subject to political, economic and other risks due to the international nature of our operations.

A significant portion of our business is conducted outside of the United States and consequently a significant portion of our revenues for the years ended December 31, 2003, 2004 and 2005 and for the nine months ended September 30, 2006 were generated from customers outside of the United States. We provide communications services in over 100 countries and territories. Accordingly, we may be subject to greater risks than other satellite operators as a result of the international nature of our business operations. We could be harmed financially and operationally by tariffs, taxes and other trade barriers that may be imposed on our services, or by political and economic instability in the countries in which we provide service. If we ever

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need to pursue legal remedies against our customers or our business partners located outside of the United States, it may be difficult for us to enforce our rights against them.

Almost all of our customers are required to pay for our services in U.S. dollars. Fluctuations in the value of non-U.S. currencies may make payment in U.S. dollars more expensive for our non-U.S. customers. In addition, our non-U.S. customers may have difficulty obtaining U.S. currency and/or remitting payment due to currency exchange controls.

Our Investors control us and may have conflicts of interest with you in the future.

Intelsat Bermuda indirectly owns 100% of the equity interests of PanAmSat Holdco, which owns 100% of the equity interests of PanAmSat Opco. The Investors, together with certain members of our management, currently beneficially own nearly 100% of Intelsat Holdings, which is the direct parent of Intelsat, Ltd. and the indirect parent of Intelsat Bermuda. The Investors have control over our decisions to enter into any corporate transaction and have the ability to prevent any transaction that requires the approval of shareholders. For example, the Investors could cause us to make acquisitions that increase the amount of our indebtedness. Additionally, the Investors are in the business of making investments in companies and may from time to time acquire and hold interests in businesses that compete directly or indirectly with us. The Investors may also pursue acquisition opportunities that may be complementary to our business, and, as a result, those acquisition opportunities may not be available to us. So long as the Investors continue to own a significant amount of the equity of Intelsat Holdings, they will continue to be able to strongly influence or effectively control our decisions.

Compliance with the Sarbanes-Oxley Act is likely to increase our operating expenses. If we fail to comply with the Sarbanes-Oxley Act, our business could be materially adversely affected.

The Sarbanes-Oxley Act of 2002, as well as rules subsequently implemented by the SEC, have required, and will require, changes to some of our corporate governance practices. These changes include developing financial and disclosure processes that satisfy Section 404 of the Sarbanes-Oxley Act. We expect that these new rules and regulations will increase our legal and financial compliance costs and will make some activities more difficult, time consuming and costly. We also expect that these new rules and regulations could make it more difficult for us to attract and retain qualified members of our board of directors, particularly to serve on our audit committee, and to attract and retain qualified executive officers. If we are unable to comply with the Sarbanes-Oxley Act and related rules and regulations, our business could be materially adversely affected.

Risks Relating to Our Industry

We may experience in-orbit satellite failures or degradations in performance that could impair the commercial performance of our satellites, which could lead to lost revenue, an increase in our cash operating expenses, lower operating income or lost revenue backlog.

Satellites utilize highly complex technology and operate in the harsh environment of space and, accordingly, are subject to significant operational risks while in orbit. These risks include malfunctions, commonly referred to as anomalies, that have occurred in our satellites and the satellites of other operators as a result of:

- the satellite manufacturer s error, whether due to the use of new and largely unproven technology or simply due to a manufacturing defect;

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problems with the power systems of the satellites, including:

circuit failures or other array degradation causing reductions in the power output of the solar arrays on the satellites, which could require us to forego the use of some transponders initially and to turn off additional transponders in later years; and/or

failure of the cells within the batteries, whose sole purpose is to power the payload and spacecraft operations during the daily eclipse periods which occur for brief periods of time during two 40-day periods around March 21 and September 21 of each year;

problems with the control systems of the satellites, including:

failure of the primary and/or backup spacecraft control processor, or SCP;

failure of the XIPS used on certain Boeing satellites, which is an electronic propulsion system that maintains the spacecraft s proper in-orbit position; and

general failures resulting from operating satellites in the harsh space environment.

We have experienced anomalies in each of the categories described above. Although we work closely with the satellite manufacturers to determine and eliminate the cause of these anomalies in new satellites and provide for on-satellite backups for certain critical components to minimize or eliminate service disruptions in the event of failure, we may experience anomalies in the future, whether of the types described above or arising from the failure of other systems or components. We could experience equipment or subsystem failures due to design, manufacturing or assembly errors that were not discovered before launch, premature component failure or wear out, and/or the harsh environment of space. These anomalies can manifest themselves in scale from minor reductions of equipment redundancy to marginal reductions in capacity to complete satellite failure. Some of our satellites have experienced significant anomalies in the past and some have components that are now known to be susceptible to similar significant anomalies. Each of these are discussed in Business Our Satellite Network and Terrestrial Fiber Optic Network-In-Orbit Satellites. An on-satellite backup may not be available upon the occurrence of such an anomaly. In particular, we may experience additional anomalies relating to the failure of the SCP in certain of our Boeing model 601, or BSS 601, satellites (not including our BSS 601 HP satellites), various anomalies associated with XIPS in our BSS 601 HP satellites or a progressive degradation of the solar arrays in certain of our Boeing model 702, or BSS 702, satellites.

Three BSS 601 satellites that we operated in the past, as well as BSS 601 satellites operated by others, have experienced a failure of the primary and backup SCPs. On January 15, 2006, our Galaxy 3R satellite, operating in an inclined orbit at 74 degrees WL, experienced an anomaly of its back-up SCP and was taken out of service. This satellite had $0 net book value as of December 31, 2005 and this event is not expected to have a material impact on our future operations or financial results. One of the BSS 601 satellites that we currently operate has experienced a failure of the primary SCP.

Certain of the BSS 601 HP satellites have experienced various problems associated with their XIPS. We operate seven satellites of this type. Three of our currently operated BSS 601 HP satellites have experienced failures of both XIPS. We may in the future experience similar problems associated with XIPS or other propulsion systems on our satellites. In 2004, based on a review of available data, we reduced our estimate of the service life of one of our BSS 601 HP satellites, IS-9 and as a result, we accelerated depreciation expense related to this satellite.

Two of the three BSS 702 satellites that we operate, as well as BSS 702s of a similar design operated by others, have experienced a progressive degradation of their solar arrays causing a

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reduction in output power. Along with the manufacturer, we continually monitor the problem to determine its cause and its expected effect. The power reduction may require us to permanently turn off certain transponders on the affected satellites to allow for the continued operation of other transponders, which could result in a loss of revenues, or may result in a reduction of the satellite s service life. Due to this continued degradation, based on a review of available data, in 2004 we reduced our estimate of the service lives of both satellites.

Any single anomaly or series of anomalies could materially and adversely affect our operations, our revenues, our relationship with our current customers and our ability to attract new customers for our satellite services. In particular, future anomalies may result in the loss of individual transponders on a satellite, a group of transponders on that satellite or the entire satellite, depending on the nature of the anomaly and the availability of on-satellite backups. Anomalies and our estimate of their future effect may also cause a reduction of the expected service life of a satellite and revenue backlog. Anomalies may also cause a reduction of the revenues generated by that satellite or the recognition of an impairment loss. Finally, the occurrence of anomalies may adversely affect our ability to insure our satellites at commercially reasonable pr