

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

SATÉLITES MEXICANOS, S.A. DE C.V.  
*et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 11-~~11035~~ ~~(CSS)~~

~~Joint Administration Pending~~ Jointly  
Administered

**MODIFIED JOINT PREPACKAGED PLAN OF REORGANIZATION OF  
SATÉLITES MEXICANOS, S.A. DE C.V. *ET AL.* UNDER  
CHAPTER 11 OF THE BANKRUPTCY CODE**

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<sup>1</sup> The Debtors in these Chapter 11 Cases, along with the last four (4) digits of each Debtor's federal tax identification number, are: Satélites Mexicanos, S.A. de C.V. (0653); Alterna'TV Corporation (2940); and Alterna'TV International Corporation (4784).

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## INTRODUCTION

Satélites Mexicanos, S.A. de C.V. (“Satmex”), a *sociedad anónima de capital variable* organized under the laws of Mexico, Alterna’TV Corporation (“Alterna’TV”), a Delaware corporation and Alterna’TV International Corporation (“Alterna’TV International”), a Delaware corporation, as debtors and debtors-in-possession (collectively, the “Debtors”), hereby propose the following Joint Plan of Reorganization pursuant to section 1121 of title 11 of the United States Code for the resolution of the outstanding Claims against and Interests in the Debtors.

Reference is made to the Disclosure Statement for a discussion of (i) the Debtors’ history, businesses, properties, results of operations, and projections for future operations, (ii) a summary of this Plan, and (iii) certain related matters, including risk factors relating to the consummation of this Plan and Distributions to be made under this Plan.

Capitalized terms herein shall have the meanings set forth in Article I hereof. The Debtors are the proponents of the Plan within the meaning of section 1129 of the Bankruptcy Code.

**ALL HOLDERS OF CLAIMS AGAINST OR INTERESTS IN THE DEBTORS ARE ENCOURAGED TO READ THE PLAN AND THE DISCLOSURE STATEMENT IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN. SUBJECT TO CERTAIN RESTRICTIONS AND REQUIREMENTS SET FORTH IN SECTION 1127 OF THE BANKRUPTCY CODE, BANKRUPTCY RULE 3019, AND THE PLAN, THE DEBTORS RESERVE THE RIGHT TO ALTER, AMEND, MODIFY, REVOKE OR WITHDRAW THE PLAN PRIOR TO ITS SUBSTANTIAL CONSUMMATION.**

## ARTICLE I

### **DEFINED TERMS AND RULES OF INTERPRETATION**

For purposes of the Plan, except as expressly provided herein or unless the context otherwise requires, (a) all capitalized terms used in the Plan and not otherwise defined in the Plan shall have the meanings ascribed to them in the Disclosure Statement (or any exhibit hereto or thereto), (b) any capitalized term used in the Plan that is not defined in the Plan or Disclosure Statement (or any exhibit hereto or thereto), but is defined in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning ascribed to that term in the Bankruptcy Code or the Bankruptcy Rules, as applicable, (c) whenever the context requires, each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender, (d) any reference in the Plan to a contract, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions, (e) any reference in the Plan to an existing document or exhibit means such document or exhibit as it may be amended, modified, or supplemented from time to time, (f) unless otherwise specified, all references in the Plan to sections, articles, schedules, and exhibits are

references to sections, articles, schedules, and exhibits of or to the Plan, (g) the words “herein,” “hereof,” “hereto,” “hereunder,” and other words of similar import refer to the Plan in its entirety rather than to any particular paragraph, subparagraph, or clause contained in the Plan, (h) captions and headings to articles and sections are inserted for convenience of reference only and shall not limit or otherwise affect the provisions hereof or the interpretation of the Plan, and (i) the rules of construction set forth in section 102 of the Bankruptcy Code and in the Bankruptcy Rules shall apply.

**1.1 “Ad Hoc Committee of First Priority Noteholders”** means those First Priority Noteholders which formed an ad hoc committee. The individual members of the Ad Hoc Committee of First Priority Noteholders will be listed in full in the Plan Supplement.

**1.2 “Administrative Claim”** means a Claim for any costs or expenses of administration of the Estates under sections 503(b), 507(b) or 1114(e)(2) of the Bankruptcy Code, including, without limitation, for: (a) any actual and necessary costs and expenses incurred after the Petition Date of preserving the Estates and operating the businesses of the Debtors; (b) any payment to be made under the Plan to cure a default on an assumed Executory Contract or assumed Unexpired Lease; (c) any postpetition cost, indebtedness or contractual obligation duly and validly incurred or assumed by the Debtors in the ordinary course of its business; (d) any Allowed Claims of Professionals in the Chapter 11 Cases; and (e) any fees and charges assessed against the Estates under chapter 123 of title 28 of the United States Code, 28 U.S.C. §§ 1911-1930.

**1.3 “Administrative Expense Request”** means a request for the payment of an Administrative Claim.

**1.4 “Affiliate”** means “affiliate” as defined in section 101(2) of the Bankruptcy Code.

**1.5 “Allowed”** means, with respect to any Claim or Interest (a) any Claim or Interest as to which no objection to allowance has been interposed on or before the Effective Date or such other applicable period of limitation fixed by the Bankruptcy Code, the Bankruptcy Rules or the Bankruptcy Court, or as to which any objection has been determined by a Final Order to the extent such objection is determined in favor of the respective Holder; (b) any Claim or Interest as to which the liability of the Debtors and the amount thereof are determined by a Final Order of a court of competent jurisdiction other than the Bankruptcy Court; (c) any Claim or Interest expressly allowed by this Plan; or (d) any Claim or Interest allowed by agreement of the Holder of such Claim or Interest and the Debtors.

**1.6 “Alterna’TV”** has the meaning ascribed to it in the Introduction to this Plan.

**1.7 “Alterna’TV International”** has the meaning ascribed to it in the Introduction to this Plan.

**1.8 “Avoidance Actions”** means any and all Causes of Action (other than those which are released or dismissed as part of and pursuant to the Plan) which a trustee, a debtor-in-possession, the Estates or other appropriate party in interest may assert under sections 502(d), 510, 541, 542, 543, 544, 545, 547, 548, 549, 550, 551, or 553 of the Bankruptcy Code or under related state or federal statutes and common law, including, without limitation, fraudulent transfer laws (whether or not litigation is commenced to prosecute such Causes of Action) and including the Debtors’ rights of setoff, recoupment, contribution, reimbursement, subrogation or indemnity (as those terms are defined by the non-bankruptcy law of any relevant jurisdiction) and any other indirect claim of any kind whatsoever, whenever and wherever arising or asserted.

**1.9 “Backstop Commitment Agreement”** means the Commitment Agreement dated as of January 13, 2011 by and among Mexico Holdings, each of the Backstop Parties (or their designees), Investment Holdings (upon execution of a joinder thereto), and Satmex, which executed by joinder on January 22, 2011, pursuant to which the Backstop Parties have committed severally and not jointly, on the terms and subject to the conditions thereof, (i) to purchase, directly or indirectly, their pro rata share of Investment Holdings Interests to be issued (A) in respect of the Primary Rights Offering, and (B) in respect of the Follow-On Rights Offering, in each case including Investment Holdings Interests to be issued in respect of Primary Rights and Follow-On Rights acquired through the Liquidity Option Funding, (ii) to provide the Liquidity Option Funding, and (iii) to purchase, directly or indirectly, their pro rata share of Investment Holdings Interests not purchased by Second Priority Noteholders pursuant to the Primary Rights Offering.

**1.10 “Backstop Commitment Order”** means the order, in form and substance reasonably satisfactory to the Backstop Parties and the Debtors, approving the assumption by the Debtors of the Backstop Commitment Agreement, including, without limitation, the expense reimbursement and indemnification provisions therein.

**1.11 “Backstop Indemnitees”** means the Persons indemnified by Satmex under the Backstop Commitment Agreement.

**1.12 “Backstop Parties”** means the Holders of Second Priority Notes that are or become party to the Backstop Commitment Agreement.

**1.13 “Ballot”** means any ballot (including any beneficial ballot) distributed with the Disclosure Statement for purposes of voting to accept or reject the Plan.

**1.14 “Bankruptcy Code”** means the Bankruptcy Reform Act of 1978, as codified in title 11 of the United States Code, 11 U.S.C. §§ 101-1532, as in effect on the Petition Date, together with all amendments and modifications thereto that are subsequently made applicable to the Chapter 11 Cases.

**1.15 “Bankruptcy Court”** means the United States Bankruptcy Court for the District of Delaware or such other United States court as may have jurisdiction over the Chapter 11 Cases or any aspect thereof.

**1.16 “Bankruptcy Rules”** means (i) the Federal Rules of Bankruptcy Procedure and the Official Bankruptcy Forms, as amended and promulgated under section 2075 of title 28 of the United States Code, (ii) the applicable Federal Rules of Civil Procedure, as amended and promulgated under section 2072 of title 28 of the United States Code, (iii) the applicable Local Rules of Bankruptcy Practice and Procedure for the Bankruptcy Court, and (iv) any standing orders governing practice and procedure issued by the Bankruptcy Court, each as in effect on the Petition Date, together with all amendments and modifications thereto that are subsequently made applicable to the Chapter 11 Cases or proceedings therein, as the Cases may be.

**1.17 “Bridge Facility”** means the \$325,000,000 committed bridge loan facility to be made available to the Debtors pursuant to the terms of the Commitment Letter between the Debtors and Jefferies Finance LLC in the event that the New Satmex Notes Offering does not close prior to the Effective Date.

**1.18 “Bridge Loan Documents”** means the definitive documents with respect to the Bridge Facility.

**1.19 “Business Day”** means any day, excluding Saturdays, Sundays, or “legal holidays” (as defined in Bankruptcy Rule 9006(a)), on which commercial banks are open for business in Wilmington, Delaware and Mexico.

**1.20 “Cash or \$”** means legal tender of the United States of America or the equivalent thereof, including bank deposits, checks and cash equivalents.

**1.21 “Causes of Action”** means any and all actions, causes of action, Claims, rights, defenses, liabilities, obligations, executions, choses in action, controversies, rights (including rights to legal remedies, rights to equitable remedies, rights to payment), suits, debts, damages, judgments, remedies, demands, setoffs, defenses, recoupments, crossclaims, counterclaims, third-party claims, indemnity claims, contribution claims or any other claims whatsoever, whether known or unknown, reduced to judgment or not reduced to judgment, liquidated or unliquidated, fixed or contingent, matured or unmatured, disputed or undisputed, secured or unsecured, choate or inchoate, existing or hereafter arising, suspected or unsuspected, foreseen or unforeseen, and whether asserted or assertable directly, indirectly or derivatively, at law, in equity or otherwise, based in whole or in part upon any act or omission or other event occurring prior to the Petition Date or during the course of the Chapter 11 Cases, including through the Effective Date.

**1.22 “Chapter 11 Cases”** means the Chapter 11 cases commenced by the Debtors in the Bankruptcy Court.



**1.23 “Claim”** means any “claim” against the Debtors as defined in Bankruptcy Code section 101(5).

**1.24 “Class”** means a category of Holders of Claims or Interests in the Debtors pursuant to section 1122(a) of the Bankruptcy Code, as described in Articles II and III of the Plan.

**1.25 “Collateral”** means any property or interest in property of the Estates which is subject to a Lien to secure the payment or performance of a Claim, which Lien is not subject to avoidance under the Bankruptcy Code or otherwise invalid under the Bankruptcy Code or applicable state law.

**1.26 “Commitment Letter”** means the commitment letter dated February 13, 2011 by and among Satmex and Jefferies [Finance LLC](#).

**1.27 “Committee”** means any official committee appointed in the Chapter 11 Cases, as such committee may be reconstituted from time to time.

**1.28 “Company Proceeds Account”** means the restricted account of the Reorganized Debtors [provided for in the Bridge Loan Documents, if any](#), into which the proceeds of the Rights Offering and the available cash balance of the Reorganized Debtors on the Effective Date shall be deposited after (a) Distributions (and reserves for Distributions) provided for under the Plan and (b) reserve of \$15 million of available cash for working capital and other general corporate purposes.

**1.29 “Confirmation”** means the entry of the Confirmation Order on the docket of the Chapter 11 Cases, subject to all conditions specified having been (a) satisfied, or (b) waived.

**1.30 “Confirmation Date”** means the date upon which the Bankruptcy Court enters the Confirmation Order on the docket of the Chapter 11 Cases, within the meaning of Bankruptcy Rules 5003 and 9021.

**1.31 “Confirmation Hearing”** means the hearing held by the Bankruptcy Court to consider Confirmation of the Plan, as such hearing may be adjourned or continued from time to time.

**1.32 “Confirmation Motion”** means the motion for an order (i) scheduling a combined hearing to consider (a) approval of the Disclosure Statement, (b) approval of the solicitation procedures and forms of the Ballots, and (c) confirmation of the Plan; (ii) establishing an objection deadline to object to the Disclosure Statement and the Plan; (iii) approving the form and manner of notice thereof; and (iv) granting related relief.

**1.33 “Confirmation Order”** means the order of the Bankruptcy Court confirming the Plan pursuant to, among others, section 1129 of the Bankruptcy Code, which shall be in form and substance satisfactory to the Debtors and the Required Supporting Second Priority Noteholders.

**1.34 “Contingent Claim”** means a Claim that has not accrued or is not otherwise payable and the accrual of which, or the obligation to make payment on which, is dependent upon a future event that may or may not occur.

**1.35 “Conversion Interests”** has the meaning set forth in Section 3.03 of the Plan.

**1.36 “Counsel to the Ad Hoc Committee of First Priority Noteholders”** means Dechert LLP, Galicia Abogados, S.C. and one Delaware local counsel selected by the Ad Hoc Committee of First Priority Noteholders.

**1.37 “Creditor”** means any Holder of a Claim.

**1.38 “Cure”** means the Distribution of Cash, or other property as may be agreed upon by the parties or ordered by the Bankruptcy Court, with respect to the assumption or assumption and assignment of an Executory Contract or Unexpired Lease, pursuant to Bankruptcy Code section 365(b), in an amount equal to all unpaid monetary obligations, without interest, or such other amount as may be agreed upon by the parties, under such Executory Contract or Unexpired Lease, to the extent such obligations are enforceable under the Bankruptcy Code and applicable bankruptcy law.

**1.39 “DBM”** means Deutsche Bank México, S.A., Institución de Banca Múltiple, División Fiduciaria.

**1.40 “DBM Trust”** means the Irrevocable Administration Trust Agreement No. F/589 dated November 28, 2006, with DBM acting as trustee.

**1.41 “Debtors”** has the meaning ascribed to it in the Introduction to this Plan.

**1.42 “Definitive Agreements”** means the Investment Holdings Governance Documents, the New Corporate Governance Documents, the New Satmex Notes Collateral Documents, the New Satmex Notes Offering Documents, the Plan Supplement Documents, the Bridge Loan Documents, if any, and other customary definitive documentation necessary to implement the Restructuring.

**1.43 “Disbursement Account”** means the restricted account of the Reorganized Debtors provided for in the Bridge Loan Documents, if any, into which the proceeds of the New Satmex Notes Offering shall be deposited (once all conditions to release from the New Satmex Notes Escrow Account are satisfied) after Distributions on the Allowed First Priority Note Claims provided for under the Plan.

**1.44 “Disbursing Agent”** means the Reorganized Debtors or any Person or Persons designated by the Debtors or the Reorganized Debtors, in their discretion, to serve as disbursing agent under the Plan with respect to Distributions to Holders in particular Classes of Claims under Section 7.03 hereof.

**1.45 “Disclosure Statement”** means the disclosure statement for the Plan, as amended, supplemented, or modified from time to time, that describes the Plan and is

prepared and distributed in accordance with, among other things, sections 1125, 1126(b), and 1145 of the Bankruptcy Code, Bankruptcy Rule 3018 and other applicable law.

**1.46 “Disclosure Statement Order”** means the order of the Bankruptcy Court, which may be the Confirmation Order, approving the Disclosure Statement pursuant to, among others, section 1125 of the Bankruptcy Code, and which shall be in form and substance satisfactory to the Debtors and the Required Supporting Second Priority Noteholders.

**1.47 “Disputed Claim”** means any Claim or Interest that has not been Allowed, provided that any Claim or Interest asserted against the Debtors that has been disallowed or expunged by the Bankruptcy Court or withdrawn by the entity asserting such Claim or Interest, shall, at that point, no longer be a Claim against or Interest in against the Debtors.

**1.48 “Distribution”** means any distribution pursuant to the Plan to the Holders of Allowed Claims against or Interests in the Debtors.

**1.49 “Distribution Record Date”** means the record date for purposes of making Distributions under the Plan on account of Allowed Claims or Interests, which date shall be the Effective Date.

**1.50 “Effective Date”** means the first Business Day on or after the Confirmation Date on which (i) no stay of the Confirmation Order is in effect and (ii) the conditions precedent to the effectiveness of the Plan set forth in Section 9.02 of the Plan have been satisfied or expressly waived.

**1.51** “Election Treatment Form” has the meaning ascribed to it in Section 5.11.

**1.52** ~~1.51~~ **“Eligible Holder”** means a Holder of a Second Priority Note Claim that is an “accredited investor” as defined in Rule 501 under Reg. D of the Securities Act.

**1.53** ~~1.52~~ **“Entity”** means a Person, estate, trust, governmental unit, and the U.S. Trustee, within the meaning of Bankruptcy Code section 101(15).

**1.54** ~~1.53~~ **“Escrow Issuer”** means Satmex Escrow, S.A. de C.V.

**1.55** ~~1.54~~ **“Estates”** means the estates of the Debtors in the Chapter 11 Cases, created pursuant to section 541 of the Bankruptcy Code.

**1.56** ~~1.55~~ **“Exculpated Parties”** has the meaning set forth in Section 11.04 of the Plan.

**1.57** ~~1.56~~ **“Executory Contract”** means a contract to which the Debtors is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

**1.58** ~~1.57~~ “**Existing Satmex Equity**” means the Series A, Series B and Series N Stock currently outstanding, representing 100% of Satmex’s equity securities.

**1.59** ~~1.58~~ “**File, Filed or Filing**” means file, filed or filing with the Bankruptcy Court in the Chapter 11 Cases.

**1.60** ~~1.59~~ “**Final Order**” means an order, ruling, judgment, the operation or effect of a judgment or other decree issued and entered by the Bankruptcy Court or by any state or other federal court or other court of competent jurisdiction which has not been reversed, vacated, stayed, modified or amended and as to which (i) the time to appeal or petition for review, rehearing, certiorari, reargument or retrial has expired and as to which no appeal or petition for review, rehearing, certiorari, reargument or retrial is pending or (ii) any appeal or petition for review, rehearing, certiorari, reargument or retrial has been finally decided and no further appeal or petition for review, rehearing, certiorari, reargument or retrial can be taken or granted; provided, however, that the possibility that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules, may be filed with respect to such order or judgment shall not cause such order or judgment not to be a Final Order.

**1.61** ~~1.60~~ “**First Priority Collateral Trust Agreement**” means that certain collateral trust agreement dated November 30, 2006, between Satmex, each of the First Priority Guarantors (defined therein), HSBC Bank USA, National Association in its capacity as First Priority Collateral Trustee, and US Bank, National Association, in its capacity as the First Priority Indenture Trustee.

**1.62** ~~1.61~~ “**First Priority Collateral Trustee**” means HSBC Bank USA, National Association, or any successor in such capacity, in its capacity as trustee under the First Priority Collateral Trust Agreement.

**1.63** ~~1.62~~ “**First Priority Guarantors**” means Alterna’TV and Alterna’TV International as the guarantors of Satmex’s obligations under the First Priority Indenture.

**1.64** ~~1.63~~ “**First Priority Indenture**” means the Indenture dated as of November 30, 2006, by and among the Satmex, the First Priority Guarantors and the First Priority Indenture Trustee, as amended, supplemented or otherwise modified from time to time.

**1.65** ~~1.64~~ “**First Priority Indenture Trustee**” means US Bank, National Association (as successor to HSBC Bank USA, National Association) in its capacity as trustee under the First Priority Indenture, or any successor in such capacity.

**1.66** ~~1.65~~ “**First Priority Noteholder**” means a holder of First Priority Notes.

**1.67** ~~1.66~~ “**First Priority Note Claim**” means any Claim or First Priority Obligation (as defined in the First Priority Indenture or the First Priority Collateral Trust Agreement) arising under or in connection with the First Priority Indenture or the First Priority Collateral Trust Agreement.

**1.68** ~~1.67~~ “**First Priority Notes**” means the First Priority Senior Secured Notes due 2011 issued by Satmex and guaranteed by the First Priority Guarantors pursuant to the First Priority Indenture.

**1.69** ~~1.68~~ “**First Priority Trustees**” means the First Priority Indenture Trustee and the First Priority Collateral Trustee.

**1.70** ~~1.69~~ “**Follow-On Equity Commitment**” means the commitment by the Backstop Parties to exercise the Follow-On Rights held by them and to fund their pro rata portion of the Follow-On Funding Amount.

**1.71** ~~1.70~~ “**Follow-On Equity Conditions**” means the conditions to the Follow-On Equity Funding, which conditions shall require that such funding (a) shall only be available to Reorganized Satmex for a period beginning on the Effective Date and ending on the earlier of (i) the date that is 18 months after the Effective Date or (ii) the first date after the Effective Date when any Change of Control (as defined in the Backstop Commitment Agreement) of Reorganized Satmex or Investment Holdings occurs, (b) shall be used solely to finance the construction and/or launch of the “Satmex 7” satellite, and (c) shall be subject to the New Satmex Board determining that all necessary financing for the construction and/or launch of the “Satmex 7” satellite is available on commercially reasonable terms.

**1.72** ~~1.71~~ “**Follow-On Equity Funding**” means the follow-on equity investment in an amount up to the Follow-On Funding Amount to be provided by those Holders of Class 2 Claims who properly exercised their Primary Rights, including any Primary Rights acquired through the Liquidity Option Funding, and also elected to exercise their Follow-On Rights provided that the Follow-On Equity Conditions are met.

**1.73** ~~1.72~~ “**Follow-On Equity Funding Amount**” means up to \$40,000,000.

**1.74** ~~1.73~~ “**Follow-On Rights**” has the meaning ascribed to it in Section 3.03.

**1.75** ~~1.74~~ “**Follow-On Rights Offering**” means the offering of Follow-On Rights under the Plan.

**1.76** “FPN Restructuring Support Agreement” means the Restructuring Support Agreement dated as of March 23, 2011, by and among Satmex and the Supporting First Priority Noteholders, as amended or modified.

**1.77** ~~1.75~~ “**General Unsecured Claim**” means any Unsecured Claim against the Debtors that is not an Administrative Claim, a Priority Tax Claim, an Other Priority Claim or an Intercompany Claim, including a deficiency claim.

**1.78** ~~1.76~~ “**Governmental Authority**” means any Mexican, United States or other international, national, federal, state, municipal or local governmental, regulatory or administrative authority, agency or commission or any judicial or arbitral body (including

the ITU) or other entity exercising executive, legislative, judicial, regulatory or administrative powers or functions of government.

1.79 ~~1.77~~ “**Holder**” means the legal or beneficial holder of a Claim or Interest (and, when used in conjunction with a Class or type of Claim or Interest, means a Holder of a Claim or Interest in such Class or of such type).

1.80 ~~1.78~~ “**Impaired**” means, when used with reference to a Claim or Interest, a Claim or Interest that is impaired within the meaning of section 1124 of the Bankruptcy Code.

1.81 ~~1.79~~ “**Impaired Class**” means a Class of Claims or Interests that are Impaired.

1.82 ~~1.80~~ “**Indemnification Obligation**” means any obligation of the Debtors to indemnify, reimburse, advance expenses or provide contribution to or with respect to any Indemnified Person, pursuant to by-laws, articles of incorporation, agreements, contracts, common law or otherwise, to the extent permitted under applicable state law, as of immediately prior to the Petition Date.

1.83 ~~1.81~~ “**Indemnified Person**” means all officers, directors, employees, members, attorneys, actuaries, financial advisors, accountants, investment bankers, agents, professionals, and representatives of the Debtors as of the Petition Date and through the Effective Date (in each case in his, her or its capacity as such) and the Backstop Indemnitees and the Underwriter Indemnitees.

1.84 ~~1.82~~ “**Indenture Trustees**” means the First Priority Indenture Trustee and the Second Priority Indenture Trustee.

1.85 ~~1.83~~ “**Insider**” shall have the same meaning set forth in section 101(31) of the Bankruptcy Code.

1.86 ~~1.84~~ “**Insured Claim**” means any Allowed Claim or portion of an Allowed Claim that is insured under the Debtors’ insurance policies, but only to the extent of such coverage.

1.87 ~~1.85~~ “**Intercompany Claims**” means all Claims held by the Debtors (or any subsidiary or Affiliate of the Debtors) against any or all Affiliates of the Debtors, including, without limitation, all derivative Claims asserted by or on behalf of one Debtors against the other.

1.88 ~~1.86~~ “**Intercreditor Agreement**” means the Intercreditor Agreement dated November 30, 2006, among the Company, the First Priority Collateral Trustee, the First Priority Indenture Trustee, the Second Priority Collateral Trustee, and the Second Priority Indenture Trustee.

1.89 ~~1.87~~ “**Interest**” means the legal interests, equitable interests, contractual interests, equity interests or ownership interests, or other rights of any Person in any other

Person including all capital stock, stock certificates, common stock, preferred stock, partnership interests, limited liability company or membership interests, rights, treasury stock, options, warrants, contingent warrants, convertible or exchangeable securities, investment securities, subscriptions or other agreements and contractual rights to acquire or obtain such an interest or share in any other Person, partnership interests in any other Person's stock appreciation rights, conversion rights, repurchase rights, redemption rights, dividend rights, preemptive rights, subscription rights and liquidation preferences, puts, calls, awards or commitments of any character whatsoever relating to any such equity, common stock, preferred stock, ownership interests or other shares of capital stock in any other Person or obligating such other Person to issue, transfer or sell any shares of capital stock whether or not certificated, transferable, voting or denominated "stock" or a similar security. Notwithstanding the foregoing, none of the Rights Offering Subscription Agreements or any other documents related to the New Satmex Notes or the Rights Offering will be deemed to evidence Interests for purposes of the Plan.

**1.90** ~~1.88~~—"Intellectual Property" means (i) trade names, trademarks and service marks, domain names, trade dress and similar rights, and applications to register any of the foregoing, (ii) patents and patent applications, (iii) copyrights (whether registered or unregistered) and applications for registration, and (iv) confidential and proprietary information, including, without limitation, trade secrets, inventions, proprietary processes and formulae, proprietary industrial models, processes, designs and methodologies, proprietary technical information, proprietary manufacturing, engineering and technical drawings, and proprietary know-how.

**1.91** ~~1.89~~—"Interest Expense Escrow Account" means the account where an amount of cash sufficient to pay the first 120 days of interest on the ~~bridge~~ loans under the Bridge Facility contemplated by the Commitment Agreement with Jefferies ~~in connection with the New Satmex Notes Offering~~ and related fees and expenses ~~related to the New Satmex Notes Offering~~ (other than the restructuring fees and expenses incurred in accordance with the Plan) shall be escrowed until the Effective Date.

**1.92** ~~1.90~~—"Investment Holdings" means, collectively, Investment Holdings GP and Investment Holdings LP.

**1.93** ~~1.91~~—"Investment Holdings Governance Documents" means the stockholders' agreement and other governance documents for Investment Holdings GP and the partnership agreement and other governance documents for Investment Holdings LP including, without limitation, the Master Investor Rights Agreement.

**1.94** ~~1.92~~—"Investment Holdings GP" means Satmex Investment Holdings GP Ltd., a limited company organized under the laws of the Cayman Islands, which shall hold the general partnership interests in Investment Holdings LP.

**1.95** ~~1.93~~—"Investment Holdings Interests" means the equity interests in Investment Holdings GP and Investment Holdings LP, which shall be comprised of

common stock in Investment Holdings GP and limited partnership interests in Investment Holdings LP.

**1.96** ~~1.94~~ “**Investment Holdings LP**” means Satmex Investment Holdings L.P., a limited partnership organized under the laws of the Cayman Islands.

**1.97** ~~1.95~~ “**Jefferies**” means Jefferies Finance LLC together with Jefferies & Company, Inc.

**1.98** ~~1.96~~ “**Jefferies Engagement Letter**” means the engagement letter dated February 13, 2011 by and among Satmex and Jefferies & Company, Inc.

**1.99** ~~1.97~~ “**Jefferies Fee Letter**” means the fee letter dated February 13, 2011 by and among Satmex and Jefferies & Company, Inc.

**1.100** ~~1.98~~ “**Lien**” means, with respect to any asset or property (or the rents, revenues, income, profits or proceeds therefrom), and in each case, whether the same is consensual or nonconsensual or arises by contract, operation of law, legal process or otherwise: (a) any and all mortgages or hypothecation to secure payment of a debt or performance of an obligation, liens, pledges, attachments, charges, leases evidencing a capitalizable lease obligation, conditional sale or other title retention agreement, or other security interest or encumbrance or other legally cognizable security devices of any kind in respect of any asset or property, or upon the rents, revenues, income, profits or proceeds therefrom; or (b) any arrangement, express or implied, under which any property is transferred, sequestered or otherwise identified for the purpose of subjecting or making available the same for the payment of debt or performance of any other obligation in priority to the payment of general unsecured creditors; provided, however, that a lien that has or may be avoided pursuant to any Avoidance Action shall not constitute a lien hereunder.

**1.101** ~~1.99~~ “**Liquidity Amount**” means \$0.38 for each dollar in principal amount of Second Priority Note Claims (including accrued paid-in-kind interest through the earlier of the Effective Date and May 31, 2011) held by a Holder of an Allowed Class 2 Claim who elects to take the Liquidity Distribution Option.

**1.102** ~~1.100~~ “**Liquidity Distribution Option**” means the option of a Holder of an Allowed Class 2 Claim (other than the Backstop Parties) to elect to receive its Liquidity Amount on the Effective Date from the Liquidity Option Funding rather than the Conversion Interests and Rights provided in Section 3.02 of the Plan.

**1.103** ~~1.101~~ “**Liquidity Option Backstop Parties**” means those Backstop Parties who have agreed under the Backstop Commitment Agreement to pay or cause one or more of affiliates (including funds, or accounts under management by such Person or other designees to purchase) to provide the Liquidity Option Funding.

**1.104** ~~1.102~~ “**Liquidity Option Escrow Account**” means the account where the Liquidity Option Funding will be escrowed until the Effective Date.



**1.105 ~~1.103~~**—“**Liquidity Option Funding**” means the funding of up to \$25,810,652.12 to be provided by the Liquidity Option Backstop Parties under the Backstop Commitment Agreement, which is sufficient to provide a cash distribution to Holders of Allowed Class 2 Claims electing the Liquidity Distribution Option as set forth in Section 3.02 of the Plan.

**1.106 ~~1.104~~**—“**Litigation Rights**” means the Causes of Action that the Debtors or the Estate may hold against any Person or Entity (except to the extent expressly released under the Plan), including, without limitation, Avoidance Actions (except with respect to the Avoidance Actions, if any, waived under the Plan).

**1.107 ~~1.105~~**—“**Management Incentive Plan**” means any management incentive plan, as determined, adopted and approved by the New Satmex Board, the terms and conditions of which shall be set forth in the Plan Supplement after the Effective Date.

**1.108 ~~1.106~~**—“**Management Incentive Plan Equity**” means any equity issued under a Management Incentive Plan.

**1.109 ~~1.107~~**—“**Master Investor Rights Agreement**” means that certain Master Investor Rights Agreement to be entered into by Holders of Second Priority Note Claims that receive Conversion Interests and certain other parties.

**1.110 ~~1.108~~**—“**Mexico**” means the United Mexican States.

**1.111 ~~1.109~~**—“**Mexico Holdings**” means Holdsat Mexico S.A.P.I. de C.V.

**1.112 ~~1.110~~**—“**Nafin**” means Nacional Financiera, S.N.C., Institución de Banca de Desarrollo, Dirección Fiduciaria.

**1.113 ~~1.111~~**—“**Nafin Trust**” means the Irrevocable Administration Trust Agreement No. 80501 dated November 28, 2006, with Nafin acting as trustee.

**1.114 ~~1.112~~**—“**New Corporate Governance Documents**” means the amended or restated articles of incorporation and bylaws, or other similar organizational documents, for each of the Reorganized Debtors, which shall be acceptable to the Required Supporting Second Priority Noteholders and in accordance with section 1123(a)(6) of the Bankruptcy Code. The New Corporate Governance Documents shall be effective on the Effective Date. Copies of the New Corporate Governance Documents shall be filed as part of the Plan Supplement.

**1.115 ~~1.113~~**—“**New Satmex Board**” means the board of directors of Reorganized Satmex on the Effective Date, which board shall be in compliance with the foreign investment restrictions under Mexican law.

**1.116 ~~1.114~~**—“**New Satmex Notes**” means the first priority senior secured notes with terms satisfactory to the Backstop Parties and Satmex in an aggregate principal

amount up to \$325,000,000. The terms and conditions of the New Satmex Notes shall be as set forth in the Plan Supplement.

**1.117** ~~1.115~~ “**New Satmex Notes Collateral Documents**” means ~~(i) the New Satmex Notes Indenture between Satmex, each of the guarantors named therein and the New Satmex Notes Indenture Trustee, (ii) the New Satmex Notes and, (iii) the Registration Rights Agreement, by Satmex, for the benefit of certain holders of the New Satmex Notes,~~ the New Satmex Notes, any registration rights agreement, guarantee, collateral trust agreement, security agreement, pledge agreement, escrow and security agreement, deposit account control agreement or other security agreement, document or instrument related to the New Satmex Notes Offering.

**1.118** “New Satmex Notes Collateral Trustee” means the person that is the collateral trustee under the New Satmex Notes Collateral Documents.

**1.119** ~~1.116~~ “**New Satmex Notes Escrow Account**” means the account of Escrow Issuer, where the funds raised pursuant to the New Satmex Notes Offering will be escrowed until the Effective Date.

**1.120** ~~1.117~~ “**New Satmex Notes Escrow Order**” means an order of the Bankruptcy Court providing, among other things, that (i) Escrow Issuer is a non-Debtor entity and that any proceeds of the New Satmex Notes Offering or other assets held by Escrow Issuer will not be deemed property of the Debtors’ Estates and will not be consolidated with the Debtors’ assets or Estates, (ii) the Debtors are authorized to pay to Escrow Issuer the fees, including fees payable to the New Satmex Notes Trustee, and the escrow agents with respect to the New Satmex Notes, interest and other amounts associated with the New Satmex Notes Offering, (iii) the Debtors are authorized to enter into related escrow agreements, pursuant to which the proceeds of the New Satmex Notes Offering will be held pending consummation of the Plan, and (iv) the New Satmex noteholders shall be granted a lien on the proceeds from the New Satmex Notes Offering and all other assets in the New Satmex Notes Escrow Account.

**1.121** ~~1.118~~ “**New Satmex Notes Indenture**” means the indenture, substantially in the form set forth in the Plan Supplement, to be executed by Reorganized Satmex and the New Satmex Notes Indenture Trustee as of the Effective Date, pursuant to which the New Satmex Notes are to be issued.

**1.122** ~~1.119~~ “**New Satmex Notes Trustee**” means the Person that is the indenture trustee under the New Satmex Notes Indenture, together with any escrow agent, collateral agent or collateral trustee provided for therein.

**1.123** ~~1.120~~ “**New Satmex Notes Offering**” means the offering of the New Satmex Notes.

**1.124** ~~1.121~~ “**New Satmex Notes Offering Documents**” means any offering memorandum, note purchase agreement, indenture, U.S. and Mexican security

documents, [escrow agreement](#), [escrow indenture](#), [assumption of escrow indenture](#) and other agreements, documents or instruments relating to New Satmex Notes Offering.

**1.125** ~~1.122~~—“**Other Priority Claims**” means any Claim against any of the Debtors, other than an Administrative Claim or a Priority Tax Claim, entitled to priority in payment as specified in sections 507(a)(3), (4), (5), (6), (7) or (9) of the Bankruptcy Code.

**1.126** ~~1.123~~—“**Other Secured Claim**” means any Secured Claim other than a First Priority Note Claim or a Second Priority Note Claim.

**1.127** ~~1.124~~—“**Permits**” means permits (including, without limitation, import, export, construction and operation permits), licenses, franchises, approvals, certificates, consents, waivers, concessions, exemptions, orders, registrations, notices and any other authorizations of any Governmental Authority.

**1.128** ~~1.125~~—“**Person**” means and includes a natural person, individual, partnership, corporation (as defined in section 101(a) of the Bankruptcy Code), or organization including, without limitation, corporations, limited partnerships, limited liability companies, general partnerships, joint ventures, joint stock companies, trusts, land trusts, business trusts, unincorporated organizations or associations, irrespective of whether they are legal entities, governmental bodies (or any agency, instrumentality or political subdivision thereof), or any other form of legal entities; provided, however, the term “Person” does not include governmental units, except that a governmental unit that (a) acquires an asset from a Person (i) as a result of the operation of a loan guarantee agreement or (ii) as receiver or liquidating agent of a Person; (b) is a guarantor of a pension benefit payable by or on behalf of the Debtors or an Affiliate of the Debtors; or (c) is the legal or beneficial owner of an asset of (i) an employee pension benefit plan that is a governmental plan, as defined in section 414(d) of the Internal Revenue Code of 1986 or (ii) an eligible deferred compensation plan, as defined in section 457(b) of the Internal Revenue Code of 1986, shall be considered for purposes of section 1102 of the Bankruptcy Code to be a Person with respect to such asset or such benefit.

**1.129** ~~1.126~~—“**Petition Date**” means the date on which the Debtors Filed their petitions for relief commencing the Chapter 11 Cases.

**1.130** ~~1.127~~—“**Plan**” means this prepackaged plan of reorganization under chapter 11 of the Bankruptcy Code, as it may be altered, amended, modified or supplemented from time to time in accordance with the provisions of the Bankruptcy Code, the terms of [the FPN Restructuring Support Agreement](#), the SPN Restructuring Support Agreement and the terms of this Plan, including the exhibits and schedules hereto and contained in the Plan Supplement.

**1.131** ~~1.128~~—“**Plan Supplement**” means the compilation of documents, including any exhibits to the Plan not included herewith that the Debtors may file with the Bankruptcy Court on or before the date that is five (5) Business Days prior to the

Confirmation Hearing, which shall be in form and substance reasonably satisfactory to the Debtors and the Required Supporting Second Priority Noteholders.

**1.132** ~~1.129~~ **“Plan Supplement Documents”** means the following documents: the (i) New Satmex Notes Offering Documents, (ii) the New Corporate Governance Documents, (iii) the list setting forth the New Satmex Board of Directors, (iv) the Management Incentive Plan, (v) the schedule setting forth the Executory Contracts or Unexpired Leases to be rejected by the Debtors, (vi) the Notice of the Cure amounts for the Executory Contracts and Unexpired Leases to be assumed by the Debtors, and (vii) such other documents as set forth in the Plan Supplement.

**1.133** ~~1.130~~ **“Primary Rights”** has the meaning ascribed to such term in Section 3.03 of the Plan.

**1.134** ~~1.131~~ **“Primary Rights Offering”** means the offering under of Primary Rights under the Plan.

**1.135** ~~1.132~~ **“Primary Rights Offering Funding Amount”** means an amount up to \$96,250,000.

**1.136** ~~1.133~~ **“Priority Tax Claim”** means any and all Claims of a governmental unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.

**1.137** ~~1.134~~ **“Professional”** means any professional employed in this Chapter 11 Cases pursuant to Bankruptcy Code sections 327, 328, or 1103.

**1.138** ~~1.135~~ **“Professional Fee Claim”** means a Claim of a Professional for compensation for services rendered or reimbursement of costs, expenses, or other charges incurred after the Petition Date and on or before the Effective Date.

**1.139** ~~1.136~~ **“Proof of Claim”** means a proof of claim Filed with the Bankruptcy Court or its duly appointed claims agent in connection with the Chapter 11 Cases.

**1.140** ~~1.137~~ **“Proof of Interest”** means a proof of interest Filed with the Bankruptcy Court or its duly appointed claims agent in connection with the Chapter 11 Cases.

**1.141** ~~1.138~~ **“Pro Rata”** means with respect to any Distribution to a Class under the Plan, the ratio (expressed as a percentage) of the amount of an Allowed Claim in such Class to the aggregate amount of all Allowed Claims plus the Disputed Claim Amount of all Disputed Claims in the same Class.

**1.142** ~~1.139~~ **“Purchase Escrow Account”** means the account where the funds for the purchase of Satmex’s equity under the Share Purchase Agreement will be escrowed until the Effective Date.

**1.143** ~~1.140~~ “**Qualified Purchaser**” has the meaning ascribed to such term in Section 2(a)(51) of the Investment Company Act.

**1.144** ~~1.141~~ “**Released Party**” has the meaning ascribed to such term in Section 11.01(a) of the Plan.

**1.145** ~~1.142~~ “**Reorganized Alterna’TV**” means Alterna’TV on and after the Effective Date.

**1.146** ~~1.143~~ “**Reorganized Alterna’TV International**” means Alterna’TV International on and after the Effective Date.

**1.147** ~~1.144~~ “**Reorganized Debtor**” means any of the Debtors on and after the Effective Date.

**1.148** ~~1.145~~ “**Reorganized Satmex**” means Satmex on and after the Effective Date.

**1.149** ~~1.146~~ “**Reorganized Satmex Common Stock**” means the Reorganized Satmex Common Stock (Series A), the Reorganized Satmex Common Stock (Series B) and the Reorganized Satmex Common Stock (Series N).

**1.150** ~~1.147~~ “**Reorganized Satmex Common Stock (Series A)**” means the series A common stock of Reorganized Satmex to be issued on the Effective Date, which shall have 51% of the voting rights of Reorganized Satmex and 5.1% of the economic interests in Reorganized Satmex.

**1.151** ~~1.148~~ “**Reorganized Satmex Common Stock (Series B)**” means the series B common stock of Reorganized Satmex to be issued on the Effective Date, which shall have 49% of the voting rights of Reorganized Satmex and 4.9% of the economic interests in Reorganized Satmex.

**1.152** ~~1.149~~ “**Reorganized Satmex Common Stock (Series N)**” means the series N common stock of Reorganized Satmex to be issued on the Effective Date, which shall have limited voting rights and 90% of the economic interests in Reorganized Satmex.

**1.153** “**Required Supporting First Priority Noteholders**” means the Supporting First Priority Noteholders holding more than 66-2/3% of the aggregate principal amount of the First Priority Notes held by all of the Supporting First Priority Noteholders; provided, that the aggregate principal amount of First Priority Notes held by any Supporting First Priority Noteholder then in breach of the FPN Restructuring Agreement shall not be included in the calculation of Required Supporting First Priority Noteholders.

**1.154** ~~1.150~~ “**Required Supporting Second Priority Noteholders**” means the Supporting Second Priority Noteholders holding more than 66 2/3% of the aggregate principal amount of the Second Priority Notes held by all of the Supporting Second

Priority Noteholders; provided, that the aggregate principal amount of Second Priority Notes held by any Supporting Second Priority Noteholder then in breach of the SPN Restructuring Support Agreement shall not be included in the calculation of Required Supporting Second Priority Noteholders or permitted to participate, consent to or vote with respect to any matter involving the Required Supporting Second Priority Noteholders.

**1.155 ~~1.151~~ “Restated Certificate of Incorporation and Restated Bylaws”** means the certificate of incorporation and bylaws of Reorganized Satmex.

**1.156 ~~1.152~~ “Rights”** means, collectively, the Primary Rights and the Follow-On Rights.

**1.157 ~~1.153~~ “Rights Offering”** means collectively the Primary Rights Offering and the Follow-On Rights Offering.

**1.158 “Rights Offering Documents”** means any rights offering procedures, escrow agreement, investor rights agreement, and other agreements, documents or instruments relating to the Rights Offering.

**1.159 ~~1.154~~ “Rights Offering Subscription Documents”** means (i) the election treatment form that will accompany the Ballots, (ii) the Rights Offering Subscription Agreement, and (iii) the accredited investor questionnaire.

**1.160 ~~1.155~~ “Rights Offering Escrow Account”** means the account where the funds raised pursuant to the Primary Rights Offering and the Liquidity Option Funding will be escrowed until the Effective Date.

**1.161 ~~1.156~~ “Rights Offering Escrow Order”** means an order of the Bankruptcy Court providing, among other things, that (i) that any proceeds of the Rights Offering or other assets held in the Rights Offering Escrow Account will not be deemed property of the Debtors’ Estates and will not be consolidated with the Debtors’ assets or Estates prior to the Effective Date; (ii) the Debtors are authorized to pay the fees, including fees payable to the escrow agents with respect to the Rights Offering, and (iii) the Debtors are authorized to enter into related escrow agreements, pursuant to which the proceeds of the Rights Offering will be held pending consummation of the Plan.

**1.162 ~~1.157~~ “Rights Offering Subscription Agreement”** means, as applicable, a subscription agreement (a) entered into by an eligible Second Priority Noteholder that is a Qualified Purchaser and Investment Holdings, evidencing the Second Priority Noteholder’s intent to purchase Investment Holdings Interests through the exercise of its Primary Rights and, at such Second Priority Noteholder’s option, to purchase Investment Holdings Interests through the exercise of its Follow-On Rights or (b) entered into by an eligible Second Priority Noteholder that is not a Qualified Purchaser and Satmex, evidencing the Second Priority Noteholder’s intent to purchase shares in Reorganized Satmex through the exercise of its Primary Rights and, at such Second Priority

Noteholder's option, to purchase additional shares through the exercise of its Follow-On Rights.

1.163 ~~1.158~~ “**Satmex**” has the meaning ascribed to it in the Introduction to this Plan.

1.164 ~~1.159~~ “**Satmex 7**” means the satellite which is intended to be constructed to replace the existing Solidaridad 2 satellite.

1.165 ~~1.160~~ “**Satmex 8**” means the satellite to be constructed to replace the existing Satmex 5 satellite, pursuant to the contract entered into on May 7, 2010 and effective as of April 1, 2010 between Satmex and Space Systems/Loral, Inc., a Delaware corporation.

1.166 ~~1.161~~ “**Schedules**” means the schedules of assets and liabilities, schedules of Executory Contracts and Unexpired Leases and statements of financial affairs Filed by the Debtors pursuant to section 521 of the Bankruptcy Code and in substantial accordance with the Official Bankruptcy Forms, as the same may have been amended, modified or supplemented from time to time.

1.167 ~~1.162~~ “**SCT**” means the Federal Government of the United Mexican States, acting through the *Secretaría de Comunicaciones y Transportes*.

1.168 ~~1.163~~ “**Second Priority Collateral Trust Agreement**” means that certain collateral trust agreement dated as of November 30, 2006, between Satmex, each of the Second Priority Guarantors (defined therein), Wells Fargo Bank, National Association in its capacity as Second Priority Collateral Trustee, and Wells Fargo Bank, National Association, in its capacity as the Second Priority Indenture Trustee.

1.169 ~~1.164~~ “**Second Priority Collateral Trustee**” means Wells Fargo Bank, National Association, in its capacity as trustee under the Second Priority Collateral Trust Agreement, or any successor in such capacity.

1.170 ~~1.165~~ “**Second Priority Guarantors**” means Alterna’TV and Alterna’TV International as the guarantors of Satmex’s obligations under the Second Priority Indenture.

1.171 ~~1.166~~ “**Second Priority Indenture**” means the Indenture dated as of November 30, 2006, by and among Satmex, the Second Priority Guarantors and the Second Priority Indenture Trustee, as trustee, as amended, supplemented or otherwise modified from time to time.

1.172 ~~1.167~~ “**Second Priority Indenture Trustee**” means Wells Fargo Bank, National Association, in its capacity as trustee under the Second Priority Indenture, or any successor in such capacity.

**1.173** ~~1.168~~ “**Second Priority Noteholder**” means a holder of Second Priority Notes.

**1.174** ~~1.169~~ “**Second Priority Note Claim**” means any Claim or Second Priority Obligation (as defined in the Second Priority Indenture or the Second Priority Collateral Trust Agreement) arising under or in connection with the Second Priority Indenture or the Second Priority Collateral Trust Agreement.

**1.175** ~~1.170~~ “**Second Priority Notes**” means the 10 1/8% Second Priority Senior Secured Notes due 2013 issued by Satmex and guaranteed by the Second Priority Guarantors pursuant to the Second Priority Indenture.

**1.176** ~~1.171~~ “**Second Priority Trustees**” means the Second Priority Indenture Trustee and the Second Priority Collateral Trustee.

**1.177** ~~1.172~~ “**Secured Claim**” means a Claim that is secured by a Lien which is not subject to avoidance under the Bankruptcy Code or otherwise invalid under the Bankruptcy Code or applicable state law, on property in which any of the Estates has an interest, or a Claim that is subject to setoff under section 553 of the Bankruptcy Code; to the extent of the value of the Holder’s interest in the Estates’ interest in such property or to the extent of the amount subject to setoff, as applicable; as determined by a Final Order pursuant to section 506(a) of the Bankruptcy Code, or in the case of setoff, pursuant to section 553 of the Bankruptcy Code, or in either case as otherwise agreed upon in writing by the Debtors or the Reorganized Debtors and the Holder of such Claim. The amount of any Claim that exceeds the value of the Holder’s interest in the Estates’ interest in property or the amount subject to setoff shall be treated as a General Unsecured Claim.

**1.178** ~~1.173~~ “**SEC Documents**” means the forms, reports, statements, certifications and other documents (including all exhibits, amendments and supplements thereto) filed by the Company with the Securities and Exchange Commission since December 31, 2007.

**1.179** ~~1.174~~ “**Securities Act**” means the U.S. Securities Act of 1933, as amended.

**1.180** ~~1.175~~ “**Series A Director**” means a member of the Satmex board of directors appointed by the Series A shareholders.

**1.181** ~~1.176~~ “**Series B Director**” means a member of the Satmex board of directors appointed by the Series B shareholders.

**1.182** ~~1.177~~ “**Series B Director Support Agreement**” means that certain Series B Director Support Agreement dated as of January 13, 2011 by and among the Series B Directors, as of the date thereof, Mexico Holdings, the Supporting Second Priority Noteholders and Satmex.



**1.183** ~~1.178~~—“**Share Purchase Agreement**” means the Share Purchase Agreement dated as of December 22, 2010 by and among DBM, Nafin and Mexico Holdings, as amended or modified.

**1.184** ~~1.179~~—“**Solicitation Agent**” means Epiq Bankruptcy Solutions, LLC.

**1.185** ~~1.180~~—“**SPA Closing Date**” means the date on which the Share Purchase Agreement closes.

**1.186** ~~1.181~~—“**SPN Restructuring Support Agreement**” means the Restructuring Support Agreement dated as of December 22, 2010, by and among (i) Mexico Holdings, (ii) each of the Supporting Second Priority Noteholders, (iii) Investment Holdings (upon execution of a joinder thereto), and (iv) Satmex, which executed by joinder on January 22, 2011, as amended or modified.

**1.187** ~~1.182~~—“**Subsidiary**” means, with respect to any Person, any other Person of which at least 50% of the outstanding voting securities or other voting equity interests are owned, directly or indirectly, by such first Person.

**1.188** “Supporting First Priority Noteholders” means the holders of First Priority Notes party to the FPN Restructuring Support Agreement and which collectively hold at least two-thirds in outstanding principal amount of First Priority Notes.

**1.189** ~~1.183~~—“**Supporting Second Priority Noteholders**” means the holders of Second Priority Notes party to the SPN Restructuring Support Agreement and which collectively hold at least two-thirds in outstanding principal amount of Second Priority Notes.

**1.190** ~~1.184~~—“**Supporting Unit Holder**” means a holder of Units party to a Unit Holder Support Letter.

**1.191** ~~1.185~~—“**Tax Authority**” means the United States Internal Revenue Service, the Mexican *Secretaría de Hacienda y Crédito Público* (the Ministry of Finance and Public Credit of Mexico), and any governmental, federal, state, local or foreign authority, agency or commission which is competent to assess, impose, enforce, levy, and/or collect a Tax.

**1.192** ~~1.186~~—“**Taxes**” means (i) any and all federal, state, local or foreign contributions, taxes, fees, imposts, duties and similar governmental charges of any kind (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto) imposed by any Governmental Authority, including, without limitation, any taxes on income, profits or gross receipts, ad valorem, value added, capital gains, sales, excise, use, real property, withholding, estimated, social security, housing fund, retirement fund, profit sharing, customs, import duties and fees and any other governmental contributions, and (ii) any transferee or successor liability (including joint tax liability under Mexican Tax Laws) in respect of any items described in clause (i) above.

**1.193 ~~1.187~~** “**Technical Committee**” means the Technical Committee under the DBM Trust, as defined in Clause 12(a)(i) of the DBM Trust, and which is currently composed of the following members: Luis Rebollar Corona, Vicente Aristegui Andreve, and Luis Rubio Barnetche.

**1.194 ~~1.188~~** “**Underwriter Indemnitees**” means the New Satmex Notes Trustee, the escrow agent, any collateral agent and any Persons indemnified in any contracts between the Company and the initial purchaser(s) for the New Satmex Notes Offering.

**1.195 ~~1.189~~** “**Unexpired Lease**” means a lease of non-residential real property to which the Debtors is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

**1.196 ~~1.190~~** “**Unimpaired**” means, when used with reference to a Claim or Interest, a Claim or Interest that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

**1.197 ~~1.191~~** “**Unimpaired Class**” means a Class of Claims or Interests that are Unimpaired.

**1.198 ~~1.192~~** “**Unit**” has the meaning set forth in that certain Agency Agreement dated as of November 30, 2006 by and between the Company and The Bank of New York, as Agent for the benefit of all Holders from time to time of Trust Interests (as defined therein).

**1.199 ~~1.193~~** “**Unit Holder Support Letter**” means any letter executed by a Holder of Units, wherein such Holder agrees, among other things, to support the Plan.

**1.200 ~~1.194~~** “**Unsecured Claim**” means a Claim arising prior to the Petition Date against the Debtors that is not a Secured Claim.

**1.201 ~~1.195~~** “**U.S. Trustee**” means the Office of the United States Trustee for the District of Delaware.

**1.202 ~~1.196~~** “**Voting Deadline**” means 5:00 p.m. prevailing Eastern Time on April 4, 2011.

## ARTICLE II

### CLASSIFICATION OF CLAIMS AND INTERESTS IN THE DEBTORS

#### **Section 2.01. Introduction**

(a) A Claim or Interest is placed in a particular Class only to the extent that the Claim or Interest falls within the description of that Class, and is classified in other Classes to the extent that any portion of the Claim or Interest falls within the description of such other Classes. A Claim is also placed in a particular Class for the purpose of receiving Distributions

pursuant to the Plan only to the extent that such Claim is an Allowed Claim in that Class and such Claim has not been paid, released, or otherwise settled prior to the Effective Date.

(b) The following table designates the Classes of Claims against and Interests in the Debtors, and specifies which of those Claims and Interests are (i) Impaired or Unimpaired by the Plan, (ii) entitled to vote to accept or reject the Plan in accordance with section 1126 of the Bankruptcy Code, (iii) deemed to accept or reject the Plan in accordance with section 1126 of the Code, or (iv) otherwise being solicited to vote to accept or reject the Plan.

(c) Classes 1A, 1B, and 1C are Unimpaired under the Plan and, pursuant to section 1126(f) of the Bankruptcy Code are conclusively presumed to have accepted the Plan. Notwithstanding section 1126(f) of the Bankruptcy Code, in order to facilitate the confirmation and consummation of the Plan and to avoid any doubt that the proposed treatment leaves Classes 1A, 1B and 1C Unimpaired or is otherwise acceptable to such Classes, the Debtors are soliciting votes from Holders of Claims in Classes 1A, 1B, and 1C.

Class	Designation	Impairment	Entitled to Vote
Class 1A	Satmex First Priority Note Claims	Unimpaired	Yes (see Section 2.10(c))
Class 1B	Alterna'TV First Priority Note Claims	Unimpaired	Yes (see Section 2.10(c))
Class 1C	Alterna'TV International First Priority Note Claims	Unimpaired	Yes (see Section 2.10(c))
Class 2A	Satmex Second Priority Note Claims	Impaired	Yes
Class 2B	Alterna'TV Second Priority Note Claims	Impaired	Yes
Class 2C	Alterna'TV International Second Priority Note Claims	Impaired	Yes
Class 3A	Satmex Other Secured Claims	Unimpaired	No (deemed to accept)
Class 3B	Alterna'TV Other Secured Claims	Unimpaired	No (deemed to accept)
Class 3C	Alterna'TV International Other Secured Claims	Unimpaired	No (deemed to accept)

Class	Designation	Impairment	Entitled to Vote
Class 4A	Satmex Other Priority Claims	Unimpaired	No (deemed to accept)
Class 4B	Alterna'TV Other Priority Claims	Unimpaired	No (deemed to accept)
Class 4C	Alterna'TV International Other Priority Claims	Unimpaired	No (deemed to accept)
Class 5A	Satmex General Unsecured Claims	Unimpaired	No (deemed to accept)
Class 5B	Alterna'TV General Unsecured Claims	Unimpaired	No (deemed to accept)
Class 5C	Alterna'TV International General Unsecured Claims	Unimpaired	No (deemed to accept)
Class 6	Intercompany Claims and Interests	Unimpaired	No (deemed to accept)
Class 7	Interests in Satmex	Impaired	No (deemed to reject)

### ARTICLE III

#### TREATMENT OF CLAIMS AND INTERESTS IN THE DEBTORS

##### Section 3.01. Unclassified Claims

###### (a) Administrative Claims

Each Holder of an Allowed Administrative Claim, shall be paid, in full and complete settlement, release, and discharge of such Claim, such Allowed Administrative Claim in accordance with the terms of the applicable contract or agreement governing such Claim, if any. Except to the extent that an Allowed Administrative Claim has been paid prior to the Effective Date, or is otherwise provided for herein, and unless otherwise agreed to by the Debtors and the Holder of an Allowed Administrative Claim, all Holders of an Allowed Administrative Claim shall receive, in full and complete settlement, release, and discharge of such Claim, payment in full in Cash on or as soon as is reasonably practicable after the Effective Date; provided, however, that Allowed Administrative Claims representing liabilities arising under loans, advances, or other financial accommodations, made to or other obligations incurred by the Debtors, as debtors in possession, whether or not incurred in the ordinary course of business, shall be paid by the Debtors in the ordinary course of business, consistent with past practice and in accordance with the terms and subject to the conditions of any agreements governing, instruments evidencing, or other documents relating to such transactions.

The "One-Time Sale Bonuses" described in Section 2 of Schedule 5.13 to the Share Purchase Agreement are allowed as Administrative Claims pursuant to Section 503(b)(1)(A) of the Bankruptcy Code because they are actual and necessary costs of preserving the value of the Estates.

(b) **Priority Tax Claims**

Except to the extent that an Allowed Priority Tax Claim has been paid prior to the Effective Date or unless otherwise agreed to by the Debtors and the Holder of an Allowed Priority Tax Claim, each Holder of an Allowed Priority Tax Claim shall, at the sole option of the Debtors or Reorganized Debtors, as applicable, receive on account of such Allowed Priority Tax Claim and in full and complete settlement, release, and discharge of such Claim: (i) Cash in the amount equal to such Allowed Priority Tax Claim on the Effective Date; or (ii) Cash equal to the amount of such Allowed Priority Tax Claim, together with interest at the applicable rate under section 511 of the Bankruptcy Code (or such lesser rate as is agreed to by the Holder of such Allowed Priority Tax Claim), payable over a period ending no later than five (5) years from the Petition Date; provided, however, that the Reorganized Debtors reserve the right to prepay such amounts at any time under the latter option.

**Section 3.02. Unimpaired/Voting Classes of Claims and Interests in the Debtors**

Classes 1A, 1B and 1C: Satmex First Priority Note Claims, Alterna'TV First Priority Note Claims, Alterna'TV International First Priority Note Claims (collectively referred to below as "Class 1 Claims"). The First Priority Note Claims are hereby Allowed in the principal amount of \$238,236,500 plus any interest (at the applicable non-default rate of 12% per annum), and reasonable fees or expenses accruing before and after the Petition Date and due and payable under the First Priority Indenture and the First Priority Collateral Trust Agreement, including, without limitation, all fees and expenses incurred by Counsel to the Ad Hoc Committee of First Priority Noteholders before and after the Petition Date.

Classification: Classes 1A, 1B and 1C consist of all First Priority Note Claims against the respective Debtors.

Treatment: Without duplication, on the Effective Date, each Holder of an Allowed Class 1 Claim in full and complete settlement, release, and discharge of such Claim, shall be paid in full in cash all outstanding principal and accrued but unpaid interest at the applicable non-default rate of 12% per annum under the First Priority Notes as of the Effective Date without any premium or penalty.

To the extent not paid pursuant to a Bankruptcy Court order authorizing the Debtors' use of cash collateral or otherwise, the accrued and unpaid fees and expenses of the First Priority Indenture Trustee, the First Priority Collateral Trustee and the Ad Hoc Committee of First Priority Noteholders, including the reasonable fees and expenses of counsel (including, for the avoidance of doubt, the fees and expenses of Counsel to the Ad Hoc Committee of First Priority Noteholders for services rendered before and after the Petition Date), shall be paid on the Effective Date in full in cash without the need for application to, or approval by, any court.

Voting: Class 1 is Unimpaired under the Plan and, pursuant to section 1126(f) of the Bankruptcy Code, is conclusively presumed to have accepted the Plan. Notwithstanding section 1126(f) of the Bankruptcy Code, in order to facilitate the confirmation and consummation of the

Plan and to avoid any doubt that the proposed treatment leaves Class 1 Unimpaired or is otherwise acceptable to such Class, the Debtors are soliciting votes from Holders of Claims in Class 1.

### **Section 3.03. Impaired/Voting Classes of Claims and Interests in the Debtors**

Classes 2A, 2B and 2C: Satmex Second Priority Note Claims, Alterna'TV Second Priority Note Claims and Alterna'TV International Second Priority Note Claims (collectively referred to below as "Class 2 Claims"). The Second Priority Note Claims are hereby Allowed in the principal amount of \$201,892,758 (through February 28, 2011) plus any interest, including payment in-kind interest (at the applicable non-default rate) and reasonable fees and expenses accruing before and after the Petition Date and due and payable under the Second Priority Indenture and the Second Priority Collateral Trust Agreement including, without limitation, all fees and expenses incurred by counsel and the financial advisor to the Supporting Second Priority Noteholders before and after the Petition Date.

Classification: Classes 2A, 2B and 2C consist of all Second Priority Note Claims against the respective Debtors.

Treatment: Without duplication, on the Effective Date, each Eligible Holder of an Allowed Second Priority Note Claim against the respective Debtors shall receive, in full and complete settlement, release, and discharge of such Claim:

(A) its pro rata share of direct or indirect equity interests representing 7.146% of the economic interests in Reorganized Satmex (subject to dilution by any Management Incentive Plan Equity and any future issuances of equity, including pursuant to the Follow-On Equity Funding) (the "Conversion Interests"), (B) rights (the "Primary Rights") to subscribe for its pro rata share of direct or indirect equity interests representing 85.753% of the economic interests in Reorganized Satmex (subject to dilution by any Management Incentive Plan Equity and by any future issuances of equity, including pursuant to the Follow-On Equity Funding) on the terms and conditions set forth in the Rights Offering Documents, and (C) rights (the "Follow-On Rights") to subscribe for its pro rata share of direct or indirect equity interests issued in respect of the Follow-On Equity Funding Amount; provided, that in order to exercise the Rights and subscribe for equity securities through the Rights (including both Primary Rights and Follow-On Rights), each Holder of a Second Priority Note Claim will be required to certify that it is an "accredited investor" as defined in Rule 501 under Regulation D of the Securities Act and provided further that a Holder of an Allowed Second Priority Note Claim may only exercise its Follow-On Rights if such Holder properly and fully exercised its Primary Rights; provided, further, that a Holder of an Allowed Second Priority Note Claim may only receive its Conversion Interests, Primary Rights or Follow-On Rights if it executes and delivers the Investment Holdings Governance Documents. Eligible Holders that are Qualified Purchasers shall receive their equity interests in the form of Investment Holdings Interests. Eligible Holders that are not Qualified Purchasers shall receive their equity interests in the form of shares in Reorganized Satmex.

In the alternative, each Holder of an Allowed Second Priority Note Claim (other than the Backstop Parties) may elect the Liquidity Distribution Option rather than receive its pro rata share of the Conversion Interests and Rights (including both Primary Rights and Follow-On

Rights). Any Holder electing the Liquidity Distribution Option shall relinquish its pro rata share of Conversion Interests and Rights (including both Primary Rights and Follow-On Rights) to the Liquidity Option Backstop Parties, which shall be entitled to acquire the Conversion Interests and Rights (including both Primary Rights and Follow-On Rights) of holders electing the Liquidity Distribution Option in the order of priority and in the amounts set forth in the Backstop Commitment Agreement. Each Holder electing the Liquidity Distribution Option shall be entitled to receive cash payment of its Liquidity Amount from the Liquidity Option Funding on the Effective Date or as soon thereafter as is reasonably practicable.

To the extent not paid pursuant to a Bankruptcy Court order authorizing the Debtors' use of cash collateral or otherwise, the accrued and unpaid fees and expenses of the Second Priority Indenture Trustee, the Second Priority Collateral Trustee and the Supporting Second Priority Noteholders, including the reasonable fees and expenses of counsel (and in the case of the Supporting Second Priority Noteholders, including the fees and expenses of their financial advisor), shall be paid on the Effective Date in full in Cash without the need for application to, or approval by, any court. Nothing herein shall affect or impair the rights of the Second Priority Trustees to payment of reasonable fees, costs and expenses after the Effective Date in accordance with the terms of the Plan.

Voting: Class 2 is Impaired and the Holders of Class 2 Claims shall be entitled to vote to accept or reject the Plan.

#### **Section 3.04. Unimpaired Classes of Claims and Interests in the Debtors**

(a) Classes 3A, 3B, and 3C: Satmex Other Secured Claims, Alterna'TV Other Secured Claims and Alterna'TV International Other Secured Claims (collectively referred to below as "Class 3 Claims").

Classification: Classes 3A, 3B and 3C consist of all other Secured Claims against the respective Debtors.

Treatment: On the Effective Date or as soon thereafter as is reasonably practicable, each Holder of an Allowed Class 3 Claim shall receive, in full and complete settlement, release, and discharge of such Claim, in the sole discretion of the Debtors or the Reorganized Debtors, as applicable: (i) reinstatement and unimpairment of its Allowed Other Secured Claim in accordance with section 1124(2) of the Bankruptcy Code, or (ii) in exchange for such Other Secured Claim, either (a) cash in the full amount of such Allowed Other Secured Claim, including any postpetition interest accrued pursuant to section 506(b) of the Bankruptcy Code, (b) the proceeds of the sale or disposition of the collateral securing such Allowed Other Secured Claim to the extent of the value of the Holder's secured interest in such collateral, (c) the collateral securing such Allowed Other Secured Claim and any interest on such Allowed Other Secured Claim required to be paid pursuant to section 506(b) of the Bankruptcy Code, or (d) such other distribution as necessary to satisfy the requirements of section 1129 of the Bankruptcy Code.

Voting: Class 3 is Unimpaired, and the Holders of Class 3 Claims shall be conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Class 3 Claims shall not be entitled to vote to accept or reject the Plan.

(b) Classes 4A, 4B, and 4C: Satmex Other Priority Claims, Alterna'TV Other Priority Claims and Alterna'TV Other Priority Claims (collectively referred to below as "Class 4 Claims").

Classification: Classes 4A, 4B and 4C consist of the Other Priority Claims against the respective Debtors.

Treatment: The legal, equitable and contractual rights of the Holders of Allowed Class 4 Claims will be unaltered by the Plan. Unless otherwise agreed to by the Holder of an Allowed Class 4 Claim and the Debtors, each Holder of an Allowed Class 4 Claim shall receive in full, final and complete satisfaction, settlement, release, and discharge of such Allowed Class 4 Claim, payment of the Allowed Class 4 Claim in full in Cash on the Effective Date or as soon thereafter as is reasonably practicable.

Voting: Class 4 is Unimpaired, and the Holders of Class 4 Claims will be conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Class 4 Claims shall not be entitled to vote to accept or reject the Plan.

(c) Classes 5A, 5B and 5C: Satmex General Unsecured Claims, Alterna'TV General Unsecured Claims and Alterna'TV International General Unsecured Claims (collectively referred to below as "Class 5").

Classification: Classes 5A, 5B and 5C consist of the General Unsecured Claims against the respective Debtors.

Treatment: Each Holder of an Allowed Class 5 Claim shall have its legal, equitable, and contractual rights unaltered by the Plan. The Debtors anticipate seeking authorization from the Bankruptcy Court to pay all Class 5 Claims in the ordinary course of business. To the extent such relief is not granted, and unless otherwise agreed to by the Holder of an Allowed Class 5 Claim and the Debtors, each Holder of an Allowed Class 5 Claim shall receive in full, final and complete satisfaction, settlement, release, and discharge of such Allowed Class 5 Claim, payment of the Allowed Class 5 Claim in full in Cash on the Effective Date or as soon thereafter as is reasonably practicable.

Voting: Class 5 is Unimpaired, and the Holders of Class 5 Claims will be conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Class 5 Claims shall not be entitled to vote to accept or reject the Plan.

(d) Class 6: Intercompany Claims and Interests

Classification: Class 6 consists of Intercompany Claims against and Intercompany Interests in the Debtors.



Treatment: On the Effective Date or as soon thereafter as is reasonably practicable, at the option of the Debtors or Reorganized Debtors, as applicable, the Intercompany Claims and Interests shall either be (i) reinstated, in full or in part, and treated in the ordinary course of business; or (ii) cancelled and discharged. Holders of Class 6 Claims shall not receive or retain any property on account of such Intercompany Claims and Interests to the extent such claim is cancelled and discharged.

Voting: Class 6 is Unimpaired, and the Holders of Class 6 Claims will be conclusively deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Class 6 Claims shall not be entitled to vote to accept or reject the Plan.

### **Section 3.05. Impaired/Non-Voting Classes of Claims and Interests in the Debtors**

Class 7: Interests in Satmex

Classification: Class 7 consists of the Existing Satmex Equity Interests.

Treatment: On the Effective Date, in order to effect certain transactions provided for in the Plan, Investment Holdings and Mexico Holdings will purchase 100% of the Existing Satmex Equity as provided in the Share Purchase Agreement. Promptly thereafter, the Existing Satmex Equity shall be converted into Reorganized Satmex Common Stock and subsequently diluted by the issuance of Reorganized Satmex Common Stock to Investment Holdings and Mexico Holdings, such that, after such issuance, 94.9% of the economic interests in Reorganized Satmex will be held by Investment Holdings (or one or more direct or indirect subsidiaries thereof) and 5.1% of the economic interests in Reorganized Satmex will be held by Mexico Holdings as follows: (a) the Reorganized Satmex Common Stock (Series A) shall be issued to Mexico Holdings and (b) the Reorganized Satmex Common Stock (Series B) and the Reorganized Satmex Common Stock (Series N) shall be issued to Investment Holdings (or one or more direct or indirect subsidiaries thereof) (subject to dilution by any Management Incentive Plan Equity); provided, however, that the percentage of Series B and Series N shares in Reorganized Satmex to be held, directly or indirectly, by Investment Holdings may be reduced to the extent that Eligible Holders of Second Priority Note Claims that are not Qualified Purchasers receive shares in Reorganized Satmex.

Voting: Class 7 is Impaired, and the Holders of Class 7 Claims shall be conclusively deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code. Therefore, the Holders of Class 7 Claims shall not be entitled to vote to accept or reject the Plan.

### **Section 3.06. Reservation of Rights Regarding Claims**

Except as otherwise explicitly provided in the Plan, nothing herein shall affect the Debtors' or the Reorganized Debtors' rights and defenses, both legal and equitable, with respect to any Claims, including, but not limited to, all rights with respect to legal and equitable defenses to alleged rights of setoff or recoupment.

The Plan is being proposed as a joint plan of reorganization of the Debtors for administrative purposes only. The Plan is not premised upon the substantive consolidation of the Debtors with respect to the Classes of Claims or Interests set forth in the Plan.

## ARTICLE IV

### ACCEPTANCE OR REJECTION OF THE PLAN

#### **Section 4.01. Classes of Claims Solicited to Vote**

Only the votes of Holders of Claims in Classes 1A, 1B, 1C, 2A, 2B and 2C shall be solicited with respect to the Plan.

#### **Section 4.02. Acceptance by a Voting Class**

In accordance with section 1126(c) of the Bankruptcy Code, and except as provided in section 1126(e) of the Bankruptcy Code, a voting Class of Claims shall have accepted the Plan if the Holders of at least two-thirds (2/3) in dollar amount and more than one-half (1/2) in number of the Allowed Claims voted in such Class have timely and properly voted to accept or reject the Plan.

#### **Section 4.03. Presumed Acceptances by Unimpaired Classes**

Classes 1A, 1B, 1C, 3A, 3B, 3C, 4A, 4B, 4C, 5A, 5B, 5C and 6 are Unimpaired under the Plan. Under section 1126(f) of the Bankruptcy Code, Holders of such Unimpaired Claims and Interests are conclusively presumed to have accepted the Plan. Accordingly, the votes of Holders of such Unimpaired Claims and Interests in Classes 3A, 3B, 3C, 4A, 4B, 4C, 5A, 5B, 5C and 6 shall not be solicited. Notwithstanding the presumption that each of the Holders in Unimpaired Classes are deemed to have accepted the Plan, in order to facilitate the confirmation and consummation of the Plan and to avoid any doubt that the proposed treatment leaves Classes 1A, 1B and 1C Unimpaired or is otherwise acceptable to such Classes, the Debtors are soliciting votes from Holders of Claims in Classes 1A, 1B, and 1C.

#### **Section 4.04. Presumed Rejection by Impaired Class Not Receiving or Retaining Any Property**

Class 7 is Impaired under the Plan, and the Holders of such Impaired Interests are not receiving or retaining any property under the Plan on account of such Interests. Under section 1126(g) of the Bankruptcy Code, Holders of such Impaired Interests are conclusively presumed to have rejected the Plan, and the votes of Holders of such Impaired Interests shall not be solicited.

#### **Section 4.05. Confirmation Pursuant to Section 1129(b) of the Bankruptcy Code**

To the extent that any Impaired Class rejects the Plan or is deemed to have rejected the Plan, the Debtors reserve the right to request Confirmation of the Plan, as it may be modified from time to time, under section 1129(b) of the Bankruptcy Code. The Debtors reserve the right to alter, amend, modify, revoke, or withdraw the Plan, the Plan Supplement, or any schedule or exhibit, including to amend or modify it to satisfy the requirements of section 1129(b) of the

Bankruptcy Code, if necessary, in each case subject to the consent of the Supporting Second Priority Noteholders.

#### **Section 4.06. Elimination of Vacant Classes**

Any Class of Claims or Interests in the Debtors that does not contain, as of the date of the commencement of the Confirmation Hearing, a Holder of an Allowed Claim or Interest, or a Holder of a Claim temporarily allowed under Bankruptcy Rule 3018, shall be deemed deleted from the Plan for all purposes, including for purposes of determining acceptance of the Plan by such Class under section 1129(a)(8) of the Bankruptcy Code.

### **ARTICLE V**

#### **MEANS FOR IMPLEMENTATION OF THE PLAN**

#### **Section 5.01. Continued Corporate Existence; Revesting of Assets; Preservation of Causes of Action, Litigation Rights and Avoidance Actions**

(a) After the Effective Date, the Reorganized Debtors may operate their businesses and use, acquire, dispose of property and settle and compromise Claims or Interests without the supervision of the Bankruptcy Court, free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, subject to the terms of this Plan and the Plan Supplement, and all documents and exhibits thereto implementing the provisions of the Plan.

(b) Except as otherwise provided herein, or in the Confirmation Order, and pursuant to section 1123(b)(3) and section 1141(b) and (c) of the Bankruptcy Code, on the Effective Date, all of the property and assets of the Debtor and all Causes of Action and Litigation Rights, including the Avoidance Actions, shall automatically revert in the Reorganized Debtors, free and clear of all Claims, Liens and Interests. As of the Effective Date, all such property of each Reorganized Debtor shall be free and clear of all Claims, Liens and Interests, except as specifically provided in the Plan or the Confirmation Order and the Reorganized Debtor shall receive the benefit of any and all discharges under the Plan.

(c) Except as otherwise provided in the Plan or in any contract, instrument, release or other agreement entered into or delivered in connection with the Plan, in accordance with section 1123(b) of the Bankruptcy Code and to the fullest extent possible under applicable law, on the Effective Date, the Reorganized Debtors shall retain and may enforce, and shall have the sole right to enforce or prosecute, any Claims, demands, rights, and Causes of Action, that the Debtors may hold against any Entity, including, without limitation, all Avoidance Actions. The Reorganized Debtors or their successors may pursue such retained claims, demands, rights or Causes of Action or Litigation Rights, including, without limitation, Avoidance Actions, as appropriate, in accordance with the best interests of the Reorganized Debtors or its successor holding such Claims, demands, rights, Causes of Action or Litigation Rights.

(d) If, as a result of the pursuit of any Litigation Rights or Avoidance Actions, a Claim would arise from a recovery pursuant to section 550 of the Bankruptcy Code after Distributions under the Plan have commenced, making it impracticable to treat the Claim in accordance with the applicable provisions of Article VII of the Plan, the Reorganized Debtors

shall be permitted to reduce the recovery by an amount that reflects the value of the treatment that would have been accorded to the Claim under the Plan, thereby effectively treating the Claim through the reduction.

### **Section 5.02. General Corporate Actions**

The entry of the Confirmation Order shall constitute authorization for the Debtors and the Reorganized Debtors to take or cause to be taken all corporate actions necessary or appropriate to consummate and implement the provisions of the Plan prior to, on, and after the Effective Date, and all such actions taken or caused to be taken shall be deemed to have been authorized and approved by the Bankruptcy Court. All such actions shall be deemed to have occurred and shall be in effect pursuant to applicable non-bankruptcy law and the Bankruptcy Code, without any requirement of further action by the partners, stockholders or directors of the Debtors or the Reorganized Debtors. On the Effective Date, the appropriate officers, partners and directors of the Debtors and the Reorganized Debtors are authorized and directed to execute and deliver the agreements, documents, and instruments contemplated by the Plan and Plan Documents in the name and on behalf of the Debtors and the Reorganized Debtors.

With respect to Alterna'TV and Alterna'TV International, on the Effective Date, and pursuant to Section 303 of the General Corporation Law of the State of Delaware, the appropriate officers of each of Alterna'TV and Alterna'TV International are authorized and directed to execute, deliver and perform under the documents, agreements, instruments or certificates contemplated by the Plan, including, without limitation, the New Satmex Notes, the New Satmex Notes Offering Documents, the New Satmex Notes Collateral Documents, the Rights Offering Documents and any and all other documents, agreements, instruments or certificates contemplated by or referenced in the foregoing documents, for, in the name of and on behalf of each of Alterna'TV International Corporation and Alternative' TV Corporation, all without the need for any other approvals, authorizations, or consents.

### **Section 5.03. Boards of Directors of the Reorganized Debtors**

On the Effective Date, the operations of the Reorganized Debtors shall become the responsibility of their respective boards of directors, subject to and in accordance with the New Corporate Governance Documents of each Reorganized Debtor, which shall provide that the Reorganized Debtors shall continue to operate under the laws of their respective jurisdictions of incorporation. The initial boards of directors of each of the Reorganized Debtors shall be selected by the Required Supporting Second Priority Noteholders and Investment Holdings. The identity of the initial board of directors of each of the Reorganized Debtors shall be set forth in the Plan Supplement.

### **Section 5.04. Officers of the Reorganized Debtors**

The initial officers of the Reorganized Debtors shall be as set forth in the Plan Supplement. After the Effective Date, the Reorganized Debtors may remove or appoint officers in accordance with applicable non-bankruptcy law.

Satmex, with the consent of the Required Supporting Second Priority Noteholders, will designate as part of the Plan Supplement those employment agreements with members of existing senior management and/or other employees that shall be assumed as of the Effective Date, if any. To the extent not expressly assumed, such contracts shall be deemed rejected as of the Effective Date; provided, however, that all of the Satmex's indemnity obligations with respect to directors and officers of Satmex serving as of the Petition Date, whether or not set forth in such employment agreements, shall be assumed by Reorganized Satmex or one of its subsidiaries. On the Effective Date, Reorganized Satmex, with the consent of the Required Supporting Second Priority Noteholders, shall enter into a new employment ~~arrangements for the chief executive officer and chief financial officer positions~~ agreement with the Chief Executive Officer, as identified in the Plan Supplement.

### **Section 5.05. Indemnification Obligations**

(a) Upon the Effective Date, the obligations of the Debtors as provided in the Debtors' certificates of formation, certificates of incorporation, bylaws or other organizational documents, board resolutions, employment contracts, applicable law or other applicable agreements as of the Petition Date to indemnify, defend, reimburse, exculpate, advance fees and expenses to, or limit the liability of members, managers, directors, officers, employees, attorneys, other professionals, and agents of the Debtors and their Affiliates who were in place as of the Petition Date, and the Backstop Indemnitees and the Underwriter Indemnitees, against any claims or causes of action whether direct or derivative, liquidated or unliquidated, foreseen or unforeseen, asserted or unasserted, shall not be discharged or impaired by Confirmation of the Plan, shall survive Confirmation of the Plan and shall remain unaffected thereby after the Effective Date.

(b) Upon the Effective Date, each Debtor's respective organizational documents shall provide for the indemnification, defense, reimbursement, exculpation, and/or limitation of, and advancement of fees and expenses to members, managers, directors, officers, employees, attorneys, other professionals, and agents of the Debtors and their Affiliates who were in place as of the Petition Date against any claims or causes of action whether direct or derivative, liquidated or unliquidated, foreseen or unforeseen, asserted or unasserted, and the Reorganized Debtors shall not amend and/or restate such organizational documents before or after the Effective Date to terminate or materially adversely affect any of the Reorganized Debtors' obligations or the rights of such members, managers, directors, officers, employees, attorneys, other professionals, and agents of the Debtors under this Section 5.05.

Upon and after the Effective Date, and for six (6) years thereafter, the Debtors or the Reorganized Debtors, as the case may be, shall obtain reasonably sufficient tail coverage under a director and officer liability insurance policy to cover Persons who are covered by the Debtors' officers' and directors' liability insurance policies with respect to actions and omissions occurring prior to the SPA Closing Date. Such coverage shall not be less favorable than provided by such insurance in effect on the SPA Closing Date; provided, however, that in no event shall Satmex and its subsidiaries be obligated to pay annual premiums greater than 200% of such premiums paid or payable as of the SPA Closing Date; provided further, that if the annual premium for such coverage and amount of insurance would exceed 200% of such current

annual rate, Satmex and its subsidiaries shall provide the maximum coverage which shall then be available at an annual premium equal to 200% of such rate. As of the Effective Date, the Reorganized Debtors shall assume all obligations owing under the director and officer insurance policies pursuant to section 365(a) of the Bankruptcy Code.

(c) Entry of the Confirmation Order will constitute the Bankruptcy Court's approval of the Debtors' foregoing assumption of each of the director and officer liability insurance policies. Notwithstanding anything to the contrary contained in the Plan, Confirmation of the Plan shall not discharge, impair or otherwise modify any indemnity or advancement obligations assumed by the foregoing assumption of the director and officer liability insurance policies, and each such indemnity or advancement obligation will be deemed and treated as an Executory Contract that has been assumed by the Debtors under the Plan as to which no Proof of Claim need be Filed.

### **Section 5.06. Restructuring Implementation Steps**

(a) The transactions contemplated by the Plan will occur materially in accordance with the following:

(i) Escrow of Documents

Prior to the Effective Date, (i) the Debtors will execute and place into escrow the New Satmex Notes Offering Documents (or the Bridge Loan Documents, if applicable), a merger consent and any other necessary closing documents, (ii) Mexico Holdings and Investment Holdings will execute a unanimous written consent authorizing the merger and other necessary corporate actions to be effectuated on the closing date of the Share Purchase Agreement, and (iii) DBM and Nafin will place the Satmex share certificates in escrow (collectively, the "Document Escrow").

(ii) Funding of the Escrow Accounts

*New Satmex Notes Offering.* Prior to the Effective Date, either (A) the proceeds of the New Satmex Notes Offering will have been funded into the New Satmex Offering Escrow Account and the amounts to fund the Interest Expense Escrow Account will have been funded, each in accordance with the New Satmex Notes Escrow Order or (B) the parties will have prepared to enter into the Bridge Facility.

*Rights Offering.* The Rights Offering was commenced prior to the Petition Date. Prior to the Effective Date and in accordance with the Rights Offering Escrow Order, the holders of Second Priority Claims (other than the Backstop Parties) which elected to exercise their Primary Rights will fund their portion of the Primary Rights Offering exercise price into the Rights Offering Escrow Account. Also prior to the Effective Date, the Backstop Parties will fund the balance of the Primary Rights Offering exercise price into the Rights Offering Escrow Account. On the same day, the Second Priority Noteholders' portion of the Share Purchase Agreement purchase price will be transferred from the Rights Offering Escrow Account to the Purchase Escrow Account.

***Share Purchase Agreement and the Liquidity Option Funding.*** Prior to the Effective Date, the Backstop Parties and Mexico Holdings will fund their respective portions of the Share Purchase Agreement purchase price into the Purchase Escrow Account and the Liquidity Option Backstop Parties will fund the Liquidity Option Funding into the Liquidity Option Escrow Account. In consideration for their commitment to fund the Liquidity Option Funding, the Liquidity Option Backstop Parties will be entitled to receive the Primary Interests and Rights (including both Primary Rights and Follow-On Rights) of the Holders electing the Liquidity Distribution Option, in each case in the order of priority and up to the amounts set forth next to the name of each Liquidity Option Backstop Party on Annex II of the Backstop Commitment Agreement. In addition, pursuant to section 5.13 of the Share Purchase Agreement, Within two (2) Business Days following the Effective Date, Mexico Holdings will cause Reorganized Satmex to pay (to the extent that they have not at such time already been paid), exclusively to the individuals set forth on Schedule 5.13 attached to the Share Purchase Agreement, (a) the performance bonus for the fiscal year ended 2010 set forth opposite each individual's name on such Schedule 5.13; and (b) the one-time sale bonus set forth opposite each individual's name.

(iii) Effective Date Release from Escrow Accounts

On or after the Effective Date, the following shall occur in such order as is determined by the Debtors with the consent of the Required Supporting Second Priority Noteholders:

(1) The proceeds of the New Satmex Notes Offering will be released from the New Satmex Notes Offering Escrow Account (or, if applicable, amounts under the Bridge Facility will be made available to the Debtors) and will be used to make Distributions to the First Priority Indenture Trustee.

(2) The balance of the proceeds of the New Satmex Notes Offering ~~(or will be released to the Debtors, or, if the Debtors have entered into~~ the Bridge Facility, ~~if applicable) the balance of amounts available under the Bridge Facility~~ will be deposited into the Disbursement Account.

(3) The proceeds of the Rights Offering ~~and/or available cash shall be used to pay~~ will be released from the Rights Offering Escrow Account to the Debtors in order to fund Distributions under the Plan, including, without limitation, the fees and expenses of the First Priority Trustees, the Second Priority Trustees, the Supporting Second Priority Noteholders, the Ad Hoc Committee of First Priority Noteholders, the Series B Directors and the trustees of the DBM Trust and the Nafin Trust in accordance with the Plan.

(4) The funds in the Purchase Escrow Account shall be released to the DBM Trust and the Nafin Trust for the benefit and subsequent distribution to the Holders of Existing Satmex Equity, and the share certificates and other documents will be released from the ~~Purchase~~ Document Escrow and delivered to Mexico Holdings and Investment Holdings.

(5) The Escrow Issuer will merge with and into Reorganized Satmex, with Reorganized Satmex being the surviving entity, and the Reorganized Debtors will assume the

ongoing liability for the New Satmex Notes under the New Satmex Notes Indenture, the New Satmex Registration Rights Agreement and the New Satmex Collateral Documents.

(6) The First Priority Collateral Trustee will release its liens on the collateral for the First Priority Notes, provided that the Distributions under the Plan required to be made to the Holders of First Priority Note Claims pursuant to Sections 3.03 and 7.03(c) of the Plan shall have been made before or simultaneously therewith.

(7) The liens on the collateral securing the Second Priority Notes shall be released in accordance with the terms of the Intercreditor Agreement, and the Second Priority Collateral Trustee shall take such action in furtherance of such releases pursuant to the terms thereof.

(8) ~~The~~If the Debtors enter into the Bridge Facility, the Interest Expense Escrow Account will be ~~released to the trustee for the New Satmex Notes~~funded in accordance with the Commitment Letter.

(9) The Liquidity Option Funding Escrow will be released to the Second Priority Indenture Trustee to fund the Liquidity Option.

(10) If the Debtors enter into the Bridge Facility, in accordance with the terms of the Commitment Letter, the Rights Offering proceeds and/or available cash will (a) be used to make Distributions (or fund reserves for Distributions) under the Plan, including, without limitation, the fees and expenses of the First Priority Trustees, the Second Priority Trustees, the Supporting Second Priority Noteholders, the Ad Hoc Committee of First Priority Noteholders, the Series B Directors and the trustees of the DBM Trust and the Nafin Trust in accordance with the Plan, with the balance to be released to the Debtors, and (b) fund a reserve up to \$15 million of available cash for working capital and other general corporate purposes. ~~The~~In such event, the balance of the Rights Offering proceeds and available cash will be funded into the Company Proceeds Account.

(11) The Reorganized Debtors will pay all reasonable fees and expenses, including the fees and expenses of counsel, in connection with (i) the First Priority Trustees and the Second Priority Trustees releasing their liens on the collateral for the First Priority Notes and Second Priority Notes, respectively, and (ii) services related to Distributions under the Plan, including but not limited to, those duties provided for in the First Priority Indenture and Second Priority Indenture whether incurred before or after the Effective Date without the need for application to, or approval by, any court.

(b) Exemption Under Section 1145 of the Bankruptcy Code

To the extent available, the issuance ~~of any securities~~ under the Plan of Conversion Interests and Rights with respect to Reorganized Satmex Common Stock shall be exempt from SEC registration under section 1145 of the Bankruptcy Code. To the extent section 1145 is unavailable, ~~such securities~~ with respect to such Conversion Interests and Rights, the issuance of such securities shall be exempt from SEC registration as a private placement pursuant to Section 4(2) of the Securities Act of 1933, as amended, and/or the safe harbor of Regulation D



promulgated thereunder, or such other exemption as may be available from any applicable registration requirements.

The issuance under the Plan of Conversion Interests and Rights with respect to Investment Holdings Interests shall be exempt from SEC registration as a private placement pursuant to Section 4(2) of the Securities Act of 1933, as amended, and/or the safe harbor of Regulation D promulgated thereunder, or such other exemption as may be available from any applicable registration requirements.

(c) Conversion of Existing Interests in the Debtors

Promptly after the consummation of the Share Purchase Agreement, at an extraordinary meeting of shareholders of Reorganized Satmex, the Existing Satmex Equity shall be converted into Reorganized Satmex Common Stock and subsequently diluted by the issuance of Reorganized Satmex Common Stock to Investment Holdings and Mexico Holdings, such that, after such issuance, 94.9% of the economic interests in Reorganized Satmex will be held by Investment Holdings or one or more direct or indirect subsidiaries thereof and 5.1% of the economic interests in Reorganized Satmex will be held by Mexico Holdings as follows: (a) the Reorganized Satmex Common Stock (Series A) shall be issued to Mexico Holdings and (b) the Reorganized Satmex Common Stock (Series B) and the Reorganized Satmex Common Stock (Series N) shall be issued to Investment Holdings or one or more direct or indirect subsidiaries thereof (and, to the extent necessary, to holders of Second Priority Notes that are not Qualified Purchasers (subject to dilution by any Management Incentive Plan Equity)); provided, however, that the percentage of Series B and Series N shares of Reorganized Satmex Common Stock to be held, directly or indirectly, by Investment Holdings may be reduced to the extent that Eligible Holders of Second Priority Note Claims that are not Qualified Purchasers receive shares of Reorganized Satmex Common Stock.

**Section 5.07. Restructuring Transactions**

On, as of, or after the Effective Date, the Reorganized Debtors may enter into such transactions and may take such actions as may be necessary or appropriate, in accordance with any applicable law, to effect a corporate or operational restructuring of its business, to otherwise simplify the overall corporate or operational structure of the Reorganized Debtors, to achieve corporate or operational efficiencies, or to otherwise improve financial results; provided that such transactions or actions are not otherwise inconsistent with the Plan, Distributions to be made under the Plan, the Share Purchase Agreement, the New Corporate Governance Documents, the New Satmex Notes or the New Satmex Notes Indenture.

**Section 5.08. Effectuating Documents; Further Transactions**

The Chief Executive Officer, the Chief Financial Officer, or any other appropriate officer of the Reorganized Debtors shall be authorized to execute, deliver, file, or record such contracts, instruments, releases, indentures, and other agreements or documents, and take such actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. In addition, and without limitation of the foregoing, the Secretary or Assistant

Secretary of the Reorganized Debtors shall be authorized to certify or attest to any of the foregoing actions.

#### **Section 5.09. Exemption from Certain Transfer Taxes**

Pursuant to section 1146(a) of the Bankruptcy Code, the issuance, transfer, or exchange of a security, or the making or delivery of an instrument of transfer from the Debtors to the Reorganized Debtors or any other Person or Entity pursuant to this Plan, and the granting or recording of any Lien or mortgage on any property under the New Satmex Notes, shall not be subject to any document recording tax, stamp tax, conveyance fee, intangibles or similar tax, mortgage tax, stamp act, real estate transfer tax, mortgage recording tax, or other similar tax or governmental assessment. State or local governmental officials or agents are directed to forego the collection of any such tax or governmental assessment and to accept for Filing and recordation any of the foregoing instruments or other documents without the payment of any such tax or governmental assessment.

#### **Section 5.10. Reorganized Debtors' Obligations Under the Plan**

From and after the Effective Date, the Reorganized Debtors shall exercise their reasonable discretion and business judgment to perform their obligations under the Plan. The Plan will be administered and actions will be taken in the name of the Debtors and the Reorganized Debtors. From and after the Effective Date, the Reorganized Debtors shall conduct, among other things, the following tasks:

(a) Administer the Plan and take all steps and execute all instruments and documents necessary to effectuate the terms of the Plan;

(b) Pursue (including, as it determines through the exercise of its business judgment, prosecuting, enforcing, objecting to, litigating, reconciling, settling, abandoning or resolving) all of the rights, Claims, Causes of Action, defenses, and counterclaims retained by the Debtors or the Reorganized Debtors;

(c) Reconcile Claims and resolve Disputed Claims, and administer the Claims allowance and disallowance processes as set forth in the Plan, including objecting to, prosecuting, litigating, reconciling, settling, and resolving Claims and Disputed Claims in accordance with the Plan;

(d) Make decisions regarding the retention, engagement, payment, and replacement of Professionals, employees, and consultants;

(e) Administer the Distributions under the Plan, including (i) making Distributions in accordance with the terms of the Plan, and (ii) Filing with the Bankruptcy Court on each three (3) month anniversary of the Effective Date reports regarding the Distributions made and to be made to the Holders of Allowed Claims as required by the U.S. Trustee;

(f) Exercise such other powers as necessary or prudent to carry out the provisions of the Plan;

- (g) File appropriate tax returns;
- (h) File a motion requesting the Bankruptcy Court enter a final decree closing the Chapter 11 Cases; and
- (i) Take such other action as may be necessary or appropriate to effectuate the Plan.

### **Section 5.11. Cancellation of Existing Securities and Agreements**

Except for purposes of evidencing a right to distribution under the Plan or otherwise as provided hereunder, on the Effective Date, the First Priority Notes and the Second Priority Notes, as well as the First Priority Notes Indenture, the First Priority Collateral Trust Agreement, the Second Priority Notes Indenture, the Second Priority Collateral Trust Agreement, and all agreements relating thereto, shall be deemed automatically cancelled, terminated and of no further force or effect, without further act or action under any applicable agreement, law, regulation, order, or rule and the obligations of the parties, as applicable, under the agreements, indentures, and certificates of designation governing such Claims or Interests shall be discharged; provided, however, that the First Priority Notes Indenture, the Second Priority Notes Indenture, the First Priority Collateral Trust Agreement and the Second Priority Collateral Trust Agreement and all agreements related thereto shall continue in effect solely for the limited purpose of (i) allowing the First Priority Trustees and the Second Priority Trustees and the Disbursing Agents, respectively, to make any distributions on account of the First Priority Notes or Second Priority Notes pursuant to this Plan, to perform such other necessary administrative or other functions with respect thereto and with respect to other obligations set forth under the Plan and Confirmation Order, and for the First Priority Trustees and Second Priority Trustees, to have the benefit of all the rights and protections and other provisions of the First Priority Indenture, the First Priority Collateral Trust Agreement, the Second Priority Indenture, the Second Priority Collateral Trust Agreement, and all other related agreements respectively, vis-à-vis the First Priority Noteholders and the Second Priority Noteholders, respectively, including any priority in payment and lien rights, if any, with respect to any distribution to their respective Noteholders under the Plan and to seek compensation and reimbursement of reasonable fees and expenses after the Effective Date as set forth in the Plan, and (ii) permitting the First Priority Trustees and the Second Priority Trustees, respectively, to maintain and assert any right to indemnification, contribution, or other claim it may have under the First Priority Indenture, the First Priority Collateral Trust Agreement, the Second Priority Indenture, the Second Priority Collateral Trust Agreement or any related agreements, respectively, subject to any and all defenses any party may have under the Plan or applicable law to any such asserted rights or claims.

Pursuant to the election treatment form (the “Election Treatment Form”) forwarded to each Holder of Second Priority Notes in connection with each such Holder’s election of treatment under the Plan, all Holders of Second Priority Notes who elect to participate in the Rights Offering are required to tender their Second Priority Notes no later than the Expiration Time (as defined in the Election Treatment Form) as set forth in the Election Treatment Form.

### **Section 5.12. Management Incentive Plan**

Reorganized Satmex shall adopt the new Management Incentive Plan as set forth in the Plan Supplement.

### **Section 5.13. Transactions on Business Days**

If the date on which a transaction may occur under this Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next succeeding Business Day.

### **Section 5.14. Compromise and Settlement Under the Plan**

NOTWITHSTANDING ANYTHING CONTAINED IN THE PLAN TO THE CONTRARY, THE ALLOWANCE, CLASSIFICATION, AND TREATMENT OF ALL ALLOWED CLAIMS AND ALLOWED INTERESTS AND THEIR RESPECTIVE DISTRIBUTIONS AND TREATMENTS HEREUNDER TAKE INTO ACCOUNT AND CONFORM TO THE RELATIVE PRIORITY AND RIGHTS OF THE CLAIMS AND INTERESTS IN EACH CLASS IN CONNECTION WITH ANY CONTRACTUAL, LEGAL, AND EQUITABLE SUBORDINATION RIGHTS RELATING THERETO. AS OF THE EFFECTIVE DATE, ANY AND ALL SUCH RIGHTS DESCRIBED IN THE PRECEDING SENTENCE ARE SETTLED, COMPROMISED, AND RELEASED PURSUANT TO THE PLAN. THE CONFIRMATION ORDER SHALL CONSTITUTE THE BANKRUPTCY COURT'S FINDING AND DETERMINATION THAT THE SETTLEMENTS REFLECTED IN THE PLAN, ARE (1) IN THE BEST INTERESTS OF THE DEBTORS AND THEIR ESTATES, (2) FAIR, EQUITABLE AND REASONABLE, (3) MADE IN GOOD FAITH, AND (4) APPROVED BY THE BANKRUPTCY COURT PURSUANT TO SECTION 363 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 9019. IN ADDITION, THE ALLOWANCE, CLASSIFICATION AND TREATMENT OF ALLOWED CLAIMS TAKES INTO ACCOUNT ANY CAUSES OF ACTION, CLAIMS, OR COUNTERCLAIMS, WHETHER UNDER THE BANKRUPTCY CODE OR OTHERWISE UNDER APPLICABLE LAW, THAT MAY EXIST BETWEEN THE DEBTORS AND THE RELEASING PARTIES; AND AS BETWEEN THE RELEASING PARTIES AND THE RELEASED PARTIES. AS OF THE EFFECTIVE DATE, ANY AND ALL SUCH CAUSES OF ACTION, CLAIMS AND COUNTERCLAIMS ARE SETTLED, COMPROMISED, AND RELEASED PURSUANT TO THE PLAN AND THE CONFIRMATION ORDER.

## **ARTICLE VI**

### **TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

#### **Section 6.01. General Assumption of Executory Contracts and Unexpired Leases**

(a) Except as otherwise specifically provided herein, or in any contract, instrument, release, indenture, or other agreement or document entered into in connection with the Plan, as of the Effective Date, all Executory Contracts and Unexpired Leases are hereby assumed except for an Executory Contract or Unexpired Lease that (i) was previously assumed or rejected by the Debtors pursuant to an order of the Bankruptcy Court on or prior to the

Confirmation Date, (ii) previously expired or was terminated pursuant to its own terms, or (iii) is the subject of a motion to assume, assume and assign, or reject filed by the Debtors on or before the Confirmation Date. The Confirmation Order shall constitute an order of the Bankruptcy Court under section 365 of the Bankruptcy Code approving the Executory Contract and Unexpired Lease assumptions described above, as of the Effective Date. Each party to an Executory Contract or Unexpired Lease that does not file and serve upon counsel to the Debtors by the deadline set for objections to Confirmation an objection to the Debtors' assumption of such Executory Contract or Unexpired Lease, will be deemed to consent to the assumption of such Executory Contract or Unexpired Lease.

(b) Notwithstanding anything to the contrary in the Plan, the Debtors and the Reorganized Debtors reserve the right to assert that any license, franchise, and partially performed contract is a property right and not an Executory Contract. Contracts or leases entered into after the Petition Date will be performed by the Reorganized Debtors in the ordinary course of business.

### **Section 6.02. Assignment of Executory Contracts and Unexpired Leases**

To the extent provided under the Bankruptcy Code or other applicable law, any Executory Contract or Unexpired Lease transferred and assigned pursuant to this Plan shall remain in full force and effect for the benefit of the transferee or assignee in accordance with its terms, notwithstanding any provision in such Executory Contract or Unexpired Lease (including those of the type described in section 365(b)(2) of the Bankruptcy Code) that prohibits, restricts, or conditions such transfer or assignment. To the extent provided under the Bankruptcy Code or other applicable law, any provision that prohibits, restricts or conditions the assignment or transfer of any such Executory Contract or Unexpired Lease or that terminates or modifies such Executory Contract or Unexpired Lease or allows the counterparty to such Executory Contract or Unexpired Lease to terminate, modify, recapture, impose any penalty, condition renewal or extension, or modify any term or condition upon any such transfer and assignment constitutes an unenforceable anti-assignment provision and is void and of no force or effect.

### **Section 6.03. Cure Rights for Executory Contracts and Unexpired Leases Assumed Under the Plan**

Monetary amounts by which each Executory Contract and Unexpired Lease to be assumed pursuant to the Plan is in default, if any, shall be satisfied, under section 365(b)(1) of the Bankruptcy Code, by Cure. Unless the Debtors file with the Court and serve on the counterparty to an Executory Contract or Unexpired Lease a Notice of Cure amount to the contrary, which Notice of Cure amount would be filed and served by the Debtors at least fourteen (14) days prior to the Confirmation Hearing, ALL CURE AMOUNTS FOR EACH EXECUTORY CONTRACT AND UNEXPIRED LEASE BEING ASSUMED PURSUANT TO THIS PLAN SHALL BE \$0. If any party to an Executory Contract or Unexpired Lease with the Debtors (a) does not agree that the Cure amount is \$0 (or such amount to the contrary that is set forth in any Notice of Cure amount with respect to any particular Executory Contract(s) or Unexpired Lease(s)), (b) objects to the ability of any of the Reorganized Debtors or any assignee to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code) under the contract or lease to be assumed, or any other matter pertaining to

assumption, such party must file and serve upon counsel to the Debtors, by the deadline set for objections to Confirmation, an objection setting forth all specific objections to Cure or assumption. Cure shall occur following the entry of a Final Order by the Bankruptcy Court resolving the dispute and approving the assumption or assumption and assignment; provided, however, that the Debtors or Reorganized Debtors, as applicable, shall be authorized to reject any Executory Contract or Unexpired Lease to the extent the Debtors or Reorganized Debtors, in the exercise of their sound business judgment, conclude that the amount of the Cure obligation as determined by such Final Order, renders assumption of such Executory Contract or Unexpired Lease unfavorable to the Debtors or Reorganized Debtors.

#### **Section 6.04. Continuing Obligations Owed to Debtors**

(a) Except as otherwise provided herein, any confidentiality agreement entered into between the Debtors and any other Person requiring the parties to maintain the confidentiality of each other's proprietary information shall be deemed to be, and shall be treated as though it is, an Executory Contract that is assumed and assigned pursuant to section 365 of the Bankruptcy Code and section 6.01 of the Plan, except as otherwise provided in the Plan.

(b) Any indemnity agreement entered into between the Debtors and any other Person requiring the supplier to provide insurance in favor of the Debtors, to warrant or guarantee such supplier's goods or services, or to indemnify the Debtors for claims arising from the goods or services shall be deemed to be, and shall be treated as though it is, an Executory Contract that is assumed and assigned pursuant to section 365 of the Bankruptcy Code and Section 6.01 of the Plan; provided, however, that if any party thereto asserts any Cure, at the election of the Debtors such agreement shall not be deemed assumed, and shall instead be rejected pursuant to section 365 of the Bankruptcy Code under the Plan.

(c) Continuing obligations of third parties to the Debtors under insurance policies, contracts, or leases that have otherwise ceased to be executory or have otherwise expired on or prior to the Effective Date, including, without limitation, continuing obligations to pay Insured Claims, to defend against and process claims, to refund premiums or overpayments, to provide indemnification, contribution or reimbursement, to grant rights of first refusal, to maintain confidentiality, or to honor releases, shall continue and shall be binding on such third parties unless otherwise specifically terminated by the Debtors, under the Plan or otherwise by order of Bankruptcy Court.

(d) To the extent any insurance policy under which the insurer has a continuing obligation to pay the Debtors or a third party on behalf of the Debtors is held by the Bankruptcy Court to be an Executory Contract, such insurance policy shall be treated as though it is an Executory Contract that is assumed pursuant to section 365 of the Bankruptcy Code and Section 6.01 of the Plan. Any and all Claims (including payments for Cure) arising under or related to any insurance policies or related insurance agreements that are assumed by the Debtors prior to or as of the Effective Date: (i) shall not be discharged; (ii) shall be Allowed Administrative Claims; and (iii) shall be paid in full in the ordinary course of business of the Reorganized Debtors as set forth in Section 3.01(a) of the Plan.

### **Section 6.05. Limited Extension of Time to Assume or Reject**

In the event of a dispute as to whether a contract or lease between the Debtors and a Person that is not an Insider is executory or unexpired, the right of the Debtors or the Reorganized Debtors to move to assume or reject such contract or lease shall be extended until the date that is thirty (30) days, or as otherwise provided in section 365(d) of the Bankruptcy Code, after entry of a Final Order by the Bankruptcy Court determining that the contract or lease is executory or unexpired, provided such dispute is pending as of the Confirmation Date.

### **Section 6.06. Postpetition Contracts and Leases**

The Debtors shall not be required to assume or reject any contract or lease entered into by the Debtors after the Petition Date. Any such contract or lease shall continue in effect in accordance with its terms after the Effective Date as set forth in the Plan, unless the Reorganized Debtors have obtained a Final Order of the Bankruptcy Court approving termination of such contract or lease. Contracts or leases entered into after the Petition Date will be performed by the Reorganized Debtors in the ordinary course of their business.

### **Section 6.07. Treatment of Claims Arising from Assumption or Rejection**

All Allowed Claims for Cure arising from the assumption of any Executory Contract or Unexpired Lease shall be treated as Administrative Claims pursuant to Section 3.01(a) of the Plan; all Allowed Claims arising from the rejection of an Executory Contract or Unexpired Lease shall be treated, to the extent applicable, as General Unsecured Claims, unless otherwise ordered by Final Order of the Bankruptcy Court; and all other Allowed Claims relating to an Executory Contract or Unexpired Lease shall have such status as they may be entitled to under the Bankruptcy Code as determined by Final Order of the Bankruptcy Court.

### **Section 6.08. Benefit Programs**

Except and to the extent previously assumed by an order of the Bankruptcy Court on or before the Confirmation Date and subject to Section 5.04 of the Plan, all employee compensation and benefit programs of the Debtors, including programs subject to sections 1114 and 1129(a)(13) of the Bankruptcy Code, if any, entered into before or after the Petition Date and not since terminated, shall be deemed to be, and shall be treated as though they are, Executory Contracts that are assumed under Section 6.01 of the Plan, but only to the extent that rights under such programs are held by the Debtors or Persons who are employees of the Debtors as of the Confirmation Date, and the Debtors' obligations under such programs to Persons who are employees of the Debtors on the Confirmation Date shall survive Confirmation of the Plan, except for (i) Executory Contracts or plans specifically rejected pursuant to the Plan (to the extent such rejection does not violate sections 1114 and 1129(a)(13) of the Bankruptcy Code) and (ii) Executory Contracts or plans as have previously been rejected, are the subject of a motion to reject, or have been specifically waived by the beneficiaries of any plans or contracts; provided, however, that the Debtors' obligations, if any, to pay all "retiree benefits" as defined in section 1114(a) of the Bankruptcy Code shall continue; provided further, however, that nothing herein shall extend or otherwise modify the duration of such period or prohibit the Debtors'

ability or the Reorganized Debtors' ability to modify the terms and conditions of the retiree benefits as otherwise permitted by such plans and applicable nonbankruptcy law.

## **ARTICLE VII**

### **PROVISIONS GOVERNING DISTRIBUTIONS**

#### **Section 7.01. Distributions for Allowed Claims**

Except as otherwise provided herein or as ordered by the Bankruptcy Court, all Distributions to Holders of Allowed Claims as of the Effective Date shall be made on or as soon as practicable after the Effective Date. Distributions on account of Claims that first become Allowed Claims after the Effective Date shall be made pursuant to Section 8.03 of the Plan and on such day as selected by the Reorganized Debtors, in its sole discretion.

#### **Section 7.02. Interest on Claims**

Unless otherwise specifically provided for in the Plan or the Confirmation Order, postpetition interest shall not accrue or be paid on Claims, and no Holder of a Claim shall be entitled to interest accruing on or after the Petition Date on any Claim. Unless otherwise specifically provided for in the Plan or the Confirmation Order, interest shall not accrue or be paid upon any Claim in respect of the period from the Petition Date to the date a final Distribution is made thereon if and after such Claim becomes an Allowed Claim.

#### **Section 7.03. Designation; Distributions by Disbursing Agents**

(a) The Reorganized Debtors or any Disbursing Agent on its behalf shall make all Distributions required to be made to Holders of Class 1, 2, 3, 4, 5 and 6 Claims, on the Effective Date, or as soon thereafter as is reasonably practicable.

(b) If a Disbursing Agent is an independent third party designated to serve in such capacity, such Disbursing Agent shall receive, without further approval from the Bankruptcy Court, reasonable compensation for distribution services rendered pursuant to the Plan and reimbursement of reasonable out of pocket expenses incurred in connection with such services from the Reorganized Debtors, including the reasonable fees, costs and expenses of counsel. No Disbursing Agent shall be required to give any bond or surety or other security for the performance of its duties unless otherwise ordered by the Bankruptcy Court, in which case all costs and expenses of procuring any such bond or surety shall be borne by the Reorganized Debtors unless otherwise agreed.

(c) The First Priority Indenture Trustee shall be the Disbursing Agent for the Allowed First Priority Note Claims. Distributions under the Plan to Holders of such Allowed First Priority Note Claims shall be made by the Reorganized Debtors to the First Priority Indenture Trustee, which in turn, shall make distributions to the Holders of such Allowed Claims. The First Priority Indenture Trustee shall not be required to give any bond, surety or other security for the performance of its duties with respect to its administration of distributions. Upon delivery by the Reorganized Debtors of the Distributions in conformity with Section 3.02



of the Plan to the First Priority Indenture Trustee, the Reorganized Debtors shall be released of all liability with respect to the delivery of such distributions.

(d) The Second Priority Indenture Trustee shall be the Disbursing Agent for the Holders of Allowed Second Priority Note Claims that have elected the Liquidity Distribution Option. Distributions under the Plan to such Holders of Allowed Second Priority Note Claims shall be made by the Reorganized Debtors to the Second Priority Indenture Trustee, which in turn, shall make distributions to the Holders of such Allowed Claims. The Second Priority Indenture Trustee shall not be required to give any bond, surety or other security for the performance of its duties with respect to its administration of distributions. Upon delivery of the Distributions in conformity with Section 3.03 of the Plan; the Reorganized Debtors and the Second Priority Trustee shall be released of all liability with respect to the delivery of such distributions, except as expressly provided herein.

(e) Investment Holdings or an independent third party appointed by Investment Holdings shall be the Disbursing Agent for the Holders of Allowed Second Priority Note Claims that are accepting their pro rata share of Conversion Interests in the form of Investment Holdings Interests and have exercised their Primary Rights to receive additional Investment Holdings Interests. Reorganized Satmex or an independent third party appointed by Reorganized Satmex shall be the Disbursing Agent for the Holders of Allowed Second Priority Note Claims that are accepting their pro rata share of Conversion Interests in the form of stock in Reorganized Satmex and have exercised their Primary Rights to receive additional shares of such stock. Neither Investment Holdings nor Satmex shall be required to give any bond, surety or other security for the performance of their respective duties with respect to its administration of such distributions.

#### **Section 7.04. Means of Cash Payment**

(a) Cash payments under this Plan shall be in U.S. funds, and shall be made, at the option, and in the sole discretion, of the Reorganized Debtors, by (i) checks drawn on or (ii) wire transfers from a domestic bank selected by the Reorganized Debtors. Cash payments to foreign Creditors may be made, at the option, and in the sole discretion, of the Reorganized Debtors, in such funds and by such means as are necessary or customary in a particular foreign jurisdiction. Cash payments made pursuant to this Plan in the form of checks issued by the Reorganized Debtors shall be null and void if not cashed within 120 days of the date of the issuance thereof. Requests for reissuance of any check shall be made directly to the Reorganized Debtors.

(b) For purposes of effectuating Distributions under the Plan, any Claim denominated in foreign currency shall be converted to U.S. Dollars pursuant to the applicable published exchange rate in effect on the Petition Date or, if such Claim is to be paid in the ordinary course, then pursuant to the applicable published exchange rate in effect on the date of such payment.

### **Section 7.05. Fractional Distributions**

Notwithstanding any other provision of the Plan to the contrary, no fractional units of shares (including shares of Reorganized Satmex or Investment Holdings) will be issued or distributed and no cash payments of fractions of cents will be made. When any distribution pursuant to the Plan would otherwise result in the issuance of a number of shares that is not a whole number, the actual distribution of shares shall be rounded to the nearest whole number and fractions of one-half (1/2) or less shall be rounded to the next lower whole number. The total number of authorized shares to be distributed pursuant to the Plan shall be adjusted as necessary to account for the foregoing rounding.

### **Section 7.06. *De Minimis* Distributions**

Notwithstanding anything to the contrary contained in the Plan, the Disbursing Agent shall not be required to distribute, and shall not distribute, Cash or other property to the Holder of any Allowed Claim if the amount of Cash or other property to be distributed on account of such Claim is less than \$50. Any Holder of an Allowed Claim on account of which the amount of Cash or other property to be distributed is less than such amount shall have such Claim discharged and shall be forever barred from asserting such Claim against the Debtors, the Reorganized Debtors or their respective property. Any Cash or other property not distributed pursuant to this provision shall be the property of the Reorganized Debtors, free of any restrictions thereon, other than those contained in the New Satmex Notes, Reorganized Satmex Common Stock, and related documents.

### **Section 7.07. Delivery of Distributions**

Distributions to Holders of Allowed Claims shall be made by the applicable Disbursing Agent (a) at the addresses reflected in the Schedules, (b) at the addresses set forth on the Proofs of Claim Filed by such Holders, (c) at the addresses set forth in any written notices of address changes delivered to the Debtors, the Reorganized Debtors or the Disbursing Agent after the date of the Schedules if no Proof of Claim was Filed or after the date of any related Proof of Claim Filed, (d) with respect to the Holders of Allowed First Priority Note Claims, to, or at the direction of the First Priority Indenture Trustee, (e) with respect to the Holders of Allowed Second Priority Note Claims that have elected the Liquidity Distribution Option, to, or at the direction of the Second Priority Indenture Trustee, or (f) with respect to other Holders of Allowed Second Priority Note Claims, at the addresses set forth in the respective Investment Holdings Governance Documents and Rights Offering Subscription Agreements submitted by such Holders. Unless otherwise agreed between the Reorganized Debtors and the Disbursing Agent, amounts in respect of undeliverable Distributions (other than Distributions made to Holders of Second Priority Note Claims that have not elected the Liquidity Distribution Option) made by the Disbursing Agent shall be returned to the Reorganized Debtors, on the first (1<sup>st</sup>) anniversary of the Effective Date. Any amount returned to the Reorganized Debtors prior to such anniversary shall be held in trust by the Reorganized Debtors, until such Distributions are claimed, at which time the applicable amounts shall be returned to the Disbursing Agent for distribution pursuant to the Plan. All claims for undeliverable Distributions must be made on or before the first (1<sup>st</sup>) anniversary of the Effective Date, after which date all unclaimed property shall revert to the Reorganized Debtors free of any restrictions thereon and the claims of any Holder or successor to

such Holder with respect to such property shall be discharged and forever barred, notwithstanding any federal or state escheat laws to the contrary. Distributions to the Holders of Allowed First Priority Note Claims shall be deemed made when delivered to the First Priority Indenture Trustee. Nothing contained in the Plan shall require the Debtors, the Reorganized Debtors, or any Disbursing Agent to attempt to locate any Holder of an Allowed Claim.

If the Distribution of any Holder of Second Priority Note Claims (other than a Holder of a Second Priority Note Claim that has not elected the Liquidity Distribution Option) is returned as undeliverable, a reasonable effort by the Reorganized Debtors shall be made to determine the current address of such Holder, but no further Distributions to such Holder shall be made unless and until the Disbursing Agent is notified of such Holder's then current address, at which time all missed Distributions shall be made to such Holder without interest. If any Holder of a Second Priority Note Claim that has not elected the Liquidity Distribution Option fails to execute and deliver the Investment Governance Documents, then such Holder's pro rata share of Investment Holdings Interests or Reorganized Satmex Common Stock shall be held in trust by Investment Holdings or Reorganized Satmex, as the case may be, until such documents are executed and delivered. If any such Holder fails to execute and deliver the Investment Holdings Governance Documents by December 31, 2011, (i) such Holder's Investment Holdings Interests shall revert to Investment Holdings (ii) such Holder's Reorganized Satmex Common Stock shall be issued to Satmex International B.V., in the case of each of (i) and (ii) free of any restrictions thereon, and (iii) the Claims of any Holder or successor to such Holder, with respect to such Investment Holdings Interests and Reorganized Satmex Common Stock, shall be discharged and forever barred notwithstanding federal, state or foreign escheat laws to the contrary.

#### **Section 7.08. Application of Distribution Record Date**

At the close of business on the Distribution Record Date, the claims registers for all Claims shall be closed, and there shall be no further changes in the record Holders of such Claims. Except as provided herein, the Reorganized Debtors, the Disbursing Agents, and each of their respective agents, successors, and assigns shall have no obligation to recognize any transfer of Claims occurring after the Distribution Record Date and shall be entitled instead to recognize and deal for all purposes hereunder with only those record Holders stated on the claims registers as of the close of business on the Distribution Record Date irrespective of the number of Distributions to be made under the Plan to such Persons or the date of such Distributions.

#### **Section 7.09. Withholding, Payment and Reporting Requirements**

In connection with the Plan and all Distributions under the Plan, the Reorganized Debtors and the Disbursing Agent shall, to the extent applicable, comply with all tax withholding, payment, and reporting requirements imposed by any federal, state, provincial, local, or foreign taxing authority, and all Distributions under the Plan shall be subject to any such withholding, payment, and reporting requirements. The Reorganized Debtors and the Disbursing Agents shall be authorized to take any and all actions that may be necessary or appropriate to comply with such withholding, payment, and reporting requirements. Notwithstanding any other provision of the Plan, and except as provided in the First Priority Indenture and the Second Priority Indenture, (a) each Holder of an Allowed Claim that is to receive a Distribution of Cash pursuant to the Plan shall have sole and exclusive responsibility for the satisfaction and payment of any tax

obligations imposed by any governmental unit, including income, withholding, and other tax obligations, on account of such Distribution, and including, in the Cases of any Holder of a Disputed General Unsecured Claim that has become an Allowed General Unsecured Claim, any tax obligation that would be imposed upon the Reorganized Debtors in connection with such Distribution, and (b) no Distribution of Cash shall be made to or on behalf of such Holder pursuant to the Plan unless and until such Holder has made arrangements satisfactory to the applicable Reorganized Debtor for the payment and satisfaction of such withholding tax obligations or such tax obligation that would be imposed upon the Reorganized Debtors in connection with such Distribution. Any property to be distributed pursuant to the Plan shall, pending the implementation of such arrangements, be treated as an undeliverable Distribution pursuant to Section 7.07 of the Plan.

#### **Section 7.10. Setoffs**

The Reorganized Debtors may, but shall not be required to, set off against any Claim or any Allowed Claim, and the payments or other Distributions to be made pursuant to the Plan in respect of such Claim, claims of any nature whatsoever that the Debtors or the Reorganized Debtors may have against the Holder of such Claim; provided, however, that neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Reorganized Debtors of any such claim that the Debtors or the Reorganized Debtors may have against such Holder.

#### **Section 7.11. Pre-Payment**

Except as otherwise provided in the Plan, any ancillary documents entered into in connection herewith, or the Confirmation Order, the Reorganized Debtors shall have the right to pre-pay, without penalty, all or any portion of an Allowed Claim entitled to payment in Cash at any time; provided, however, that any such pre-payment shall not be contrary to the terms of the New Satmex Notes Indenture and related documents, or otherwise prejudice, the relative priorities and parities among the Classes of Claims, and provided, further, that any such pre-payment with respect to the Second Priority Notes shall be made to all holders entitled to payment in Cash.

#### **Section 7.12. No Distribution in Excess of Allowed Amounts**

Notwithstanding anything to the contrary herein, no Holder of an Allowed Claim shall receive in respect of such Claim any Distribution of a value as of the Effective Date in excess of the Allowed amount of such Claim (excluding payments on account of interest due and payable from and after the Petition Date pursuant to the Plan, if any).

#### **Section 7.13. Allocation of Distributions**

All Distributions received under the Plan by Holders of Claims shall be deemed to be allocated first to the principal amount of such Claim as determined for United States federal income tax purposes and then to accrued interest, if any, with respect to such Claim.

## ARTICLE VIII

### **PROCEDURES FOR RESOLVING DISPUTED, CONTINGENT, AND UNLIQUIDATED CLAIMS AND DISTRIBUTIONS WITH RESPECT THERETO**

#### **Section 8.01. Prosecution of Objections to Claims**

The Debtors shall have the authority to File objections to Claims and to settle, compromise, withdraw, or litigate to judgment objections to Claims, including, without limitation, Claims for reclamation under section 546(c) of the Bankruptcy Code. Upon the Effective Date, the Debtors or Reorganized Debtors, as applicable, may settle or compromise any Disputed Claim without the approval of the Bankruptcy Court, other than with respect to Administrative Claims relating to compensation of professionals. The Debtors also reserve the right to resolve any Disputed Claim outside the Bankruptcy Court under applicable governing law.

#### **Section 8.02. No Filing of Proofs of Claims or Interests**

Except as otherwise provided in this Plan, the Holders of Claims (including Holders of First Priority Note Claims and Second Priority Note Claims) and Interests shall not be required to, and should not, File proofs of claim or interest, as applicable, with the Bankruptcy Court, the Debtors or any of the Debtors' advisors or agents. Upon the Effective Date, except as otherwise provided herein, all Claims entitled to a Distribution under this Plan shall be paid in the ordinary course of business, to the extent not authorized and paid pursuant to a court order, in accordance with the Debtors' books and records (as set forth in the Debtors' schedules and statements filed with the Bankruptcy Court or any supplements or amendments thereto), which amounts, unless disputed, shall constitute the Allowed amount of such Claims.

On the Effective Date, Investment Holdings and Mexico Holdings shall purchase 100% of the Existing Satmex Equity from DBM and Nafin pursuant to the Share Purchase Agreement.

#### **Section 8.03. Procedures Regarding Disputed Claims**

##### **(a) Objections to Claims**

The Debtors intend to make Distributions under this Plan to Holders of Claims in Classes 3, 4 and 5 in the ordinary course of business. Unless disputed by a Holder of a Claim, the amount set forth in books and records of the Debtors shall constitute the amount of the Allowed Claim of such Holder. If any such Holder disagrees with the Debtors' books and records with respect to the Allowed amount of such Holder's Claim or such Holder wishes to assert a Claim that is not reflected in the Debtors' schedules and statement, such Holder must so advise the Debtors not later than the date objections to the Confirmation Motion are due, in which event the Claim will become a Disputed Claim. If the Debtors dispute any Claim, such dispute shall be determined, resolved or adjudicated, as the case may be, in a manner as if the Chapter 11 Cases had not been commenced. While the Debtors intend to attempt to resolve any such disputes consensually or through judicial means outside the Bankruptcy Court, the Debtors may elect, in their sole discretion, to file with the Bankruptcy Court (or any court of competent jurisdiction) an

objection to the allowance of any Claim or any other appropriate motion or adversary proceeding with respect thereto, and litigate such objections to Final Order; provided that nothing in this Article VIII hereof shall be deemed or construed as limiting any right to compromise, settle, withdraw, or resolve by any other method any objections afforded to the Debtors under Article XI hereof.

(b) Claims Estimation

The Debtors (prior to the Effective Date) or Reorganized Debtors may, at any time, request that the Bankruptcy Court estimate any contingent or unliquidated Claim pursuant to section 502(c) of the Bankruptcy Code, regardless of whether the Debtors or the Reorganized Debtors has previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court shall retain jurisdiction to estimate any Claim at any time during litigation concerning any objection to any Claim, including during the pendency of any appeal relating to any such objection. In the event the Bankruptcy Court so estimates any contingent or unliquidated Claim, that estimated amount shall constitute either the Allowed amount of such Claim or a maximum limitation on such Claim, as determined by the Bankruptcy Court, as applicable. If the estimated amount constitutes a maximum limitation on such Claim, the Reorganized Debtors may elect to pursue any supplemental proceedings to object to any ultimate payment on such Claim. All of the aforementioned Claims objection, estimation, and resolution procedures are cumulative and are not necessarily exclusive of one another. Claims may be estimated and thereafter resolved by any permitted mechanisms.

(c) No Distribution Pending Allowance

Notwithstanding any other provisions of the Plan, no payments or Distributions will be made on account of a Disputed Claim or, if less than the entire Claim is a Disputed Claim, the portion of a Claim that is Disputed, until such Disputed Claim becomes an Allowed Claim.

(d) Distributions on Accounts of Disputed Claims Once They are Allowed

At such time as a Disputed Claim becomes an Allowed Claim, the Disbursing Agent shall make Distributions on account of such Claim. Such Distribution shall be made pursuant to the provisions of the Plan governing the applicable Class. Such Distribution shall be based upon the Distribution that would have been made to the Holder of such Claim under the Plan if the Disputed Claim had been an Allowed Claim on the Effective Date in the amount ultimately Allowed.

## ARTICLE IX

### CONDITIONS PRECEDENT TO CONFIRMATION

#### **Section 9.01. Conditions Precedent to Confirmation**

The following conditions precedent to the occurrence of the Confirmation must be satisfied unless any such condition shall have been waived by the Debtors, with the consent of Required Supporting Second Priority Noteholders:

(a) The New Satmex Notes Escrow Order shall have been entered in form and substance satisfactory to the Debtors, the Required Supporting Second Priority Noteholders, and Jefferies;

(b) An Order approving the Commitment Letter, the Jefferies Engagement Letter and the Jefferies Fee Letter, including the indemnity, expense reimbursement and fee provisions contained therein, shall have been entered in form and substance satisfactory to Jefferies;

(c) The Disclosure Statement and Confirmation Orders shall have been entered in form and substance satisfactory to the Debtors, the Required Supporting Second Priority Noteholders and Jefferies, and shall, among other things:

(i) provide that the Debtors and the Reorganized Debtors are authorized and directed to take all actions necessary or appropriate to enter into, implement, and consummate the Plan and all related contracts, instruments, releases, leases, indentures and other agreements or documents created in connection with the Plan or necessary to implement the Plan;

(ii) authorize the issuance of the Reorganized Satmex Common Stock and New Satmex Notes, the Debtors' or Reorganized Debtors' entry into the New Satmex Notes Indenture and the Collateral Documents;

(d) The Bankruptcy Court shall have found that adequate information and sufficient notice of the Disclosure Statement, the Settlement Agreement, the Plan and the Confirmation Hearing, along with all deadlines for voting on or objecting to the Plan have been given to all relevant parties in accordance with the solicitation procedures governing such service and in substantial compliance with Bankruptcy Rules 2002(b), 3017, 9019, and 3020(b); and

(e) The Plan and all Plan Supplement documents, including any exhibits, schedules, amendments, modifications or supplements thereto, shall be acceptable to the Debtors and the Required Supporting Second Priority Noteholders.

## Section 9.02. Conditions Precedent to the Effective Date

The following conditions precedent to the occurrence of the Effective Date must be satisfied or waived by the Debtors or Reorganized Debtors on or prior to the Effective Date in accordance with Section 9.04 of the Plan:

(a) The Disclosure Statement Order shall have been entered and have become a Final Order;

(b) The Confirmation Order shall have been entered and shall have become a Final Order;

(c) The Backstop Commitment Order shall have been entered and have become a Final Order. To the extent not paid pursuant to the Cash Collateral Order, the Backstop Commitment Agreement or otherwise, the outstanding fees and expenses of the Backstop Parties, including the fees and expenses of counsel, financial advisors and accountants, shall be paid on the Effective Date in full in cash;

(d) The Share Purchase Agreement and the Backstop Commitment Agreement shall be in full force and effect;

(e) The parties shall be in material compliance with all the covenants, and the satisfaction or waiver of all the conditions set forth in the Share Purchase Agreement and the Commitment Agreement;

(f) The proceeds of the New Satmex Notes, the Rights Offering and the Liquidity Option, along with all cash on hand on the consummation of the Restructuring, shall be sufficient to fund the Restructuring;

(g) No force majeure event (which shall include, amongst other things, a significant disruption to the financial markets) shall have occurred;

(h) The First Priority Indenture Trustee shall have received an amount sufficient to make the Distributions under the Plan required to be made to the Holders of First Priority Note Claims pursuant to Sections 3.03 and 7.03(c) of the Plan.

(i) Execution and delivery of the Definitive Agreements that are satisfactory to the Required Supporting Second Priority Noteholders and that incorporate the terms and conditions set forth in the plan term sheet attached to the SPN Restructuring Support Agreements and such other terms and conditions as are agreed to by the Required Supporting Second Priority Noteholders;

(j) Absence of a Material Adverse Effect, as defined under the Share Purchase Agreement and the Backstop Commitment Agreement;

(k) Absence of material litigation restraining or materially altering the Restructuring as defined by the SPN Restructuring Support Agreement; and



(l) The Debtors shall have received all authorizations, consents and approvals required by the following Mexican governmental agencies: (i) the *Secretaria de Comunicaciones y Transportes* (the Ministry of Communications and Transport or the “SCT”), (ii) the *Comisión Federal de Competencia* (Federal Competition Commission of Mexico or “COFECO”), and (iii) the the *Secretaria de Economía* (the Ministry of Economy) to be necessary to implement the Plan and that are required by law, regulations or order; ~~and,~~

~~(m) The Restated Certificate of Incorporation of the Reorganized Satmex shall be filed with the Secretary of State for Delaware contemporaneously with the Effective Date.~~

### **Section 9.03. Notice of Occurrence of the Effective Date**

The Debtors or Reorganized Debtors shall File a notice of the occurrence of the Effective Date within five (5) business days thereafter. Failure to File such notice shall not prevent the effectiveness of the Plan, Plan Supplement or any related documents.

### **Section 9.04. Waiver of Conditions**

Each of the conditions set forth in Section 9.02, with the exception of the condition set forth in Sections 9.02(h) and 9.02(e) may be waived in whole or in part by the Debtors or Reorganized Debtors, subject to the consent of the Required Supporting Second Priority Noteholders, without any notice to other parties-in-interest or the Bankruptcy Court and without a hearing. The Debtors or Reorganized Debtors may not waive (i) the condition set forth in section 9.02(h) without the prior consent of the Supporting Second Priority Noteholders, the First Priority Indenture Trustee and the Ad Hoc Committee of First Priority Noteholders, and (ii) the conditions set forth in Section 9.02(e) without the prior consent of the Series B Directors.

### **Section 9.05. Consequences of Non-Occurrence of Effective Date**

If the Confirmation Order is vacated, (a) the Plan shall be null and void in all respects; (b) any settlement of Claims or Interests in the Debtors provided for hereby shall be null and void without further order of the Bankruptcy Court; and (c) to the extent permitted under the Bankruptcy Code, the time within which the Debtors may assume and assign or reject all Executory Contracts and Unexpired Leases shall be extended for a period of one hundred twenty (120) days after the date the Confirmation Order is vacated.

## **ARTICLE X**

### **ARTICLE X**

## **RETENTION OF JURISDICTION**

### **Section 10.01. Scope of Retention of Jurisdiction**

Under sections 105(a) and 1142 of the Bankruptcy Code, and notwithstanding entry of the Confirmation Order and occurrence of the Effective Date, and except as otherwise ordered by the Bankruptcy Court, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising out of, and related to, the Chapter 11 Cases and the Plan to the fullest extent permitted by

law (provided, however, that notwithstanding the foregoing, with respect to all civil proceedings arising in or related to the Chapter 11 Cases and the Plan, the Bankruptcy Court shall have original but not exclusive jurisdiction, in accordance with section 1334(b) of title 28 of the United States Code), including, among other things, jurisdiction to:

(a) allow, disallow, determine, liquidate, classify, estimate, or establish the priority, secured, or unsecured status of any Claim or Interest not otherwise Allowed under the Plan (other than personal injury or wrongful death Claims, unless agreed by the Holder), including the resolution of any request for payment of any Administrative Claim and the resolution of any objections to the allowance or priority of Claims or Interests in the Debtors;

(b) hear and determine all applications for compensation and reimbursement of expenses of Professionals under the Plan or under sections 327, 328, 330, 331, 503(b), 1103, and 1129(a)(4) of the Bankruptcy Code; provided, however, that from and after the Effective Date, the payment of the fees and expenses of the Professionals of the Reorganized Debtors shall be made in the ordinary course of business and shall not be subject to the approval of the Bankruptcy Court;

(c) hear and determine all matters with respect to the assumption or rejection of any Executory Contract or Unexpired Lease to which the Debtors are a party or with respect to which the Debtors may be liable, including, if necessary, the nature or amount of any required Cure or the liquidation or allowance of any Claims arising therefrom;

(d) effectuate performance of and payments under the provisions of the Plan and enforce remedies upon any default under the Plan;

(e) hear and determine any and all adversary proceedings, motions, applications, and contested or litigated matters arising out of, under, or related to, the Chapter 11 Cases, the Avoidance Actions or the Plan, including without limitation the enforcement of the injunction provisions contained in Section 11.02 of the Plan;

(f) enter such orders as may be necessary or appropriate to execute, implement, or consummate the provisions of the Plan and all contracts, instruments, releases, and other agreements or documents created in connection with the Plan, the Disclosure Statement, or the Confirmation Order;

(g) hear and determine disputes arising in connection with the interpretation, implementation, consummation, or enforcement of the Plan, including disputes arising under agreements, documents, or instruments executed in connection with the Plan;

(h) consider any modifications of the Plan, cure any defect or omission, or reconcile any inconsistency in any order of the Bankruptcy Court, including, without limitation, the Confirmation Order;

(i) issue injunctions, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Person or Entity with the implementation, consummation, or enforcement of the Plan or the Confirmation Order;

(j) enter and implement such orders as may be necessary or appropriate if the Confirmation Order is for any reason reversed, stayed, revoked, modified, or vacated;

(k) hear and determine any matters arising in connection with or relating to the Plan, the Plan Supplement, the schedules to the Plan, the Disclosure Statement, the Confirmation Order, or any contract, instrument, release, or other agreement or document created in connection with the Plan, the Plan Supplement, the schedules to the Plan, the Disclosure Statement, or the Confirmation Order;

(l) enforce, interpret, and determine any disputes arising in connection with any stipulations, orders, judgments, injunctions, releases, exculpations, indemnifications, and rulings entered in connection with the Chapter 11 Cases (whether or not the Chapter 11 Cases has been closed);

(m) except as otherwise limited herein, recover all assets of the Debtors and property of the Estates, wherever located;

(n) hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code;

(o) hear and determine all disputes involving the existence, nature, or scope of the Debtors' discharge;

(p) hear and determine such other matters as may be provided in the Confirmation Order or as may be authorized under, or not inconsistent with, the provisions of the Bankruptcy Code; and

(q) enter a final decree closing the Chapter 11 Cases.

### **Section 10.02. Failure of the Bankruptcy Court to Exercise Jurisdiction**

If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising in, arising under, or related to the Chapter 11 Cases, the provisions of this Article X shall have no effect upon and shall not control, prohibit, or limit the exercise of jurisdiction by any other court having jurisdiction with respect to such matter.

## **ARTICLE XI**

### **ARTICLE XI**

## **RELEASES, DISCHARGE, INJUNCTION AND EXCULPATION**

### **Section 11.01. Releases and Related Matters**

(a) Released Parties

For purposes of this section, “Released Parties” means (i) each Debtor and its Affiliates, and each Reorganized Debtor and its Affiliates, (ii) each direct or indirect shareholder of the Debtors, (iii) the First Priority Indenture Trustee, (iv) the First Priority Collateral Trustee, (v) the Second Priority Indenture Trustee, (vi) the Second Priority Collateral Trustee, (vii) the members of the Ad Hoc Committee of First Priority Noteholders, (viii) the Supporting Second Priority Noteholders, (ix) Mexico Holdings, (x) Investment Holdings, (xi) DBM, (xii) Nafin, (xiii) the Technical Committee, (xiv) the Backstop Parties, (xv) the Underwriter Indemnitees, (xvi) the Series A Directors; (xvii) the Series B Directors, (xviii) the Supporting Unit Holders, and (xix) with respect to the foregoing, each of their respective direct or indirect subsidiaries, current and former officers and directors, managers, members, employees, agents, representatives, financial advisors, professionals, accountants, attorneys, and each of their predecessors, successors and assigns.

(b) Releases by Debtors

As of the Effective Date, for good and valuable consideration, the adequacy of which is hereby confirmed, the Debtors, the Reorganized Debtors, and any Person or Entity seeking to exercise the rights of the Debtors’ Estates, including, without limitation, any successor to the Debtors or any Estate’s representative appointed or selected pursuant to section 1123(b)(3) of the Bankruptcy Code, shall be deemed to forever release, waive, and discharge each of the Released Parties from any and all claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action (including Avoidance Actions), and liabilities whatsoever in connection with or in any way relating to the Debtors, the conduct of the Debtors’ businesses, the Chapter 11 Cases, the Disclosure Statement or the Plan (other than the rights of the Debtors, the Reorganized Debtors, or a Creditor holding an Allowed Claim to enforce the obligations under the Confirmation Order and the Plan and the contracts, instruments, releases, and other agreements or documents delivered thereunder) whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity, or otherwise, that are based in whole or part on any act, omission, transaction, event, or other occurrence taking place on or prior to the Effective Date; provided, however, that nothing in this Section 11.01(b):

(i) (i) shall be deemed to prohibit the Reorganized Debtors from asserting and enforcing any claims, obligations, suits, judgments, demands, debts, rights, Causes of Action or liabilities they may have against any employee (including directors and officers) for alleged breach of confidentiality, or any other contractual obligations owed to the Debtors or the Reorganized Debtors, including non-compete and related agreements or obligations;

(ii) (ii) constitutes a waiver of any right of the Reorganized Debtors to: (x) enforce all rights and claims concerning any and all intellectual property (including, without limitation, trademarks, copyrights, patents, customer lists, trade secrets and confidential or proprietary business information), all of

which rights are expressly reserved and not released and (y) assert any defense based on whether or not applicable standards have been met; or

(iii) ~~(iii)~~ shall operate as a release, waiver or discharge of any Causes of Action or liabilities unknown to the Debtors as of the Petition Date arising out of willful misconduct, fraud or criminal acts of any such Released Party as determined by a Final Order.

(c) Releases by Holders of Claims and Interests

As of the Effective Date, for good and valuable consideration, the adequacy of which is hereby confirmed, the Holders of Claims against and Interests in the Debtors and the Reorganized Debtors: (1) who either vote to accept the Plan or are presumed to have voted for the Plan under section 1126(f) of the Bankruptcy Code, or (2) who reject the Plan or abstain from voting and do not return their Ballot to indicate their refusal to grant the releases provided in this sub-paragraph, shall be deemed to forever release, waive, and discharge each of the Released Parties from any and all claims, obligations, suits, judgments, damages, demands, debts, rights, Causes of Action (including Avoidance Actions), and liabilities whatsoever in connection with or in any way relating to the Debtors, the conduct of the Debtors' businesses, the Chapter 11 Cases, the Disclosure Statement or the Plan (other than the rights of the Debtors, the Reorganized Debtors, or a Creditor holding an Allowed Claim to enforce the obligations under the Confirmation Order and the Plan and the contracts, instruments, releases, and other agreements or documents delivered thereunder), whether liquidated or unliquidated, fixed or contingent, matured or unmatured, known or unknown, foreseen or unforeseen, then existing or thereafter arising, in law, equity, or otherwise, that are based in whole or part on any act, omission, transaction, event, or other occurrence taking place on or prior to the Effective Date; provided, however, that:

(i) ~~(i)~~ the release of each Series B Director by the Second Priority Noteholders shall be expressly conditioned upon the execution and delivery of the Series B Director Support Agreement by such Director and such Director's compliance in all material respects with all provisions thereof;

(ii) ~~(ii)~~ the release of each Supporting Unit Holder by the Second Priority Noteholders shall be expressly conditioned upon the execution and delivery of the Unit Holder Support Letter by such Supporting Unit Holder and such Supporting Unit Holder's compliance in all material respects with all provisions thereof;

(iii) ~~(iii)~~ nothing in this Section 11.01(c) shall operate as a release, waiver or discharge of any Causes of Action or liabilities unknown to such Person as of the Petition Date arising out of willful misconduct, fraud or criminal acts of any such Released Party as determined by a Final Order; and

(iv) ~~(iv)~~ nothing in this Section 11.01(c) shall be deemed to prohibit any party to a Series B Director Support Agreement or any party to a Unit Holder

Support Letter from asserting or enforcing the contractual obligations set forth therein.

### Section 11.02. Discharge of the Debtors

(a) Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise provided herein or in the Confirmation Order, all consideration distributed under the Plan shall be in exchange for, and in complete satisfaction, settlement, discharge, and release, effective as of the Effective Date, of all Claims, Interests and Causes of Action of any nature whatsoever, including any interest accrued on such Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and Interests in, the Debtors or any of its assets or properties and, regardless of whether any property shall have been abandoned by order of the Bankruptcy Court, retained, or distributed pursuant to the Plan on account of such Claims and Interests, including demands, liabilities and Causes of Action that arose before the Effective Date, and all debts of the kind specified in section 502 of the Bankruptcy Code, whether or not (i) a Proof of Claim based upon such debt is Filed or deemed Filed under section 501 of the Bankruptcy Code, (ii) a Claim based upon such debt is Allowed under section 502 of the Bankruptcy Code, (iii) a Claim based upon such debt is or has been Disallowed by order of the Bankruptcy Court, or (iv) the Holder of a Claim based upon such debt accepted the Plan. The Plan shall bind all Holders of Claims and Interests, notwithstanding whether any such Holders failed to vote to accept or reject the Plan or voted to reject the Plan.

(b) As of the Effective Date, except as provided in the Plan or the Confirmation Order, all Persons shall be precluded from asserting against the Debtors or the Reorganized Debtors or any of their assets or properties, any other or further Claims, Interests, debts, rights, Causes of Action, claims for relief, liabilities, or equity interests relating to the Debtors based upon any act, omission, transaction, occurrence, or other activity of any nature that occurred prior to the Effective Date. In accordance with the foregoing, except as provided in the Plan or the Confirmation Order, the Confirmation Order shall be a judicial determination, as of the Effective Date, of discharge of all such Claims and other debts and liabilities against the Debtors and termination of all Interests, pursuant to sections 524 and 1141 of the Bankruptcy Code, and such discharge shall void any judgment obtained against the Debtors at any time, to the extent that such judgment relates to a discharged Claim or terminated Interest.

### Section 11.03. Injunctions

(a) Except as provided in the Plan or the Confirmation Order, as of the Effective Date, all Persons that have held, currently hold, may hold, or allege that they hold, a Claim, Interest, or other debt or liability that is discharged pursuant to Section 11.02 of the Plan, released pursuant to Section 11.01 of the Plan, or is subject to exculpation pursuant to Section 11.04 of the Plan are permanently enjoined from taking any of the following actions against the Debtors, the Reorganized Debtors, and their respective affiliates or their property on account of any such discharged Claims, debts, or liabilities or terminated Interests or rights: (i) commencing or continuing, in any manner or in any

place, any action or other proceeding of any kind; (ii) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or order against the Debtors, the Reorganized Debtors or its property; (iii) creating, perfecting, or enforcing any Lien or encumbrance; (iv) asserting a right of setoff, recoupment or subrogation of any kind against any debt, liability, or obligation due to the Debtors or the Reorganized Debtors; OR (v) commencing or continuing any action, in each such Cases in any manner, in any place, or against any Person that does not comply with or is inconsistent with the provisions of the Plan.

(b) Without limiting the effect of the foregoing provisions of this Section 11.03 upon any Person, by accepting Distributions pursuant to the Plan, each Holder of an Allowed Claim or Interest receiving a Distribution pursuant to the Plan shall be deemed to have specifically consented to the injunctions set forth in this section 11.03.

(c) Nothing in this Section 11.03 shall impair (i) the rights of any Holder of a Disputed Claim to establish its Claim in response to an objection Filed by the Debtors or the Reorganized Debtors, (ii) the rights of any defendant in an Avoidance Action Filed by the Debtors to assert defenses in such action, or (iii) the rights of any party to an Executory Contract or Unexpired Lease that has been assumed by the Debtors pursuant to an order of the Bankruptcy Court or the provisions of the Plan to enforce such assumed contract or lease.

#### **Section 11.04. Exculpation and Limitations of Liability**

(a) Exculpated Parties

For purposes of this section, “Exculpated Parties” means (i) each Debtor and its Affiliates, and each Reorganized Debtor and its Affiliates, (ii) each direct or indirect shareholder of the Debtors, (iii) the First Priority Indenture Trustee, (iv) the First Priority Collateral Trustee, (v) the Second Priority Indenture Trustee, (vi) the Second Priority Collateral Trustee, (vii) the members of the Ad Hoc Committee of First Priority Noteholders, (viii) the Supporting Second Priority Noteholders, (ix) Mexico Holdings, (x) Investment Holdings, (xi) DBM, (xii) Nafin, (xiii) the Technical Committee, (xiv) the Backstop Parties, (xv) the Underwriter Indemnitees, (xvi) the Series A Directors; (xvii) the Series B Directors, (xviii) the Supporting Unit Holders, and (xix) with respect to the foregoing, each of their respective direct or indirect subsidiaries, current and former officers and directors, managers, members, employees, agents, representatives, financial advisors, professionals, accountants, attorneys, and each of their predecessors, successors and assigns.

(b) On the Effective Date, the Exculpated Parties shall neither have, nor incur any liability to any Holder of a Claim or an Interest, the Debtors, the Reorganized Debtors, or any other party-in-interest, or any of their respective agents, employees, representatives, advisors, attorneys, or affiliates, or any of their successors or assigns, for any prepetition or postpetition act or omission in connection with, relating to, or arising out of, the Chapter 11 Cases, the formulation, negotiation, or implementation of the Disclosure Statement or the Plan, the solicitation of acceptances of the Plan, the pursuit of

**Confirmation of the Plan, the Confirmation of the Plan, the consummation of the Plan, or the administration of the Plan or the property to be distributed under the Plan, except for acts or omissions that are the result of willful misconduct, gross negligence, fraud or criminal acts as determined by a Final Order; provided, however, that (i) the foregoing is not intended to limit or otherwise impact any defense of qualified immunity that may be available under applicable law; (ii) each Exculpated Party shall be entitled to rely upon the advice of counsel concerning his, her or its duties pursuant to, or in connection with, the Plan; (iii) the foregoing exculpation shall not be deemed to, release, affect, or limit any of the rights and obligations of the Exculpated Parties from, or exculpate the Exculpated Parties with respect to, any of the Exculpated Parties' obligations or covenants arising pursuant to the Plan or the Confirmation Order, and; (iv) the exculpation of each Series B Director by the Second Priority Noteholders shall be expressly conditioned upon the execution and delivery of the Series B Director Support Agreement by such Director and such Director's compliance in all material respects with all provisions thereof.**

## **ARTICLE XII**

### **MISCELLANEOUS PROVISIONS**

#### **Section 12.01. Administrative Claims**

All Administrative Expense Requests (other than as set forth in Section 3.01(a), this Section 12.01 or Section 12.02 of the Plan) must be made by application Filed with the Bankruptcy Court and served on counsel for the Reorganized Debtors **no later than forty-five (45) days after the Effective Date** or their Administrative Claims shall be forever barred. In the event that the Reorganized Debtors objects to an Administrative Claim, the Bankruptcy Court shall determine the Allowed amount of such Administrative Claim. Notwithstanding the foregoing, (a) no application seeking payment of an Administrative Claim need be Filed with respect to an undisputed postpetition obligation which was paid or is payable by the Debtors in the ordinary course of business; provided, however, that in no event shall a postpetition obligation that is contingent or disputed and subject to liquidation through pending or prospective litigation, including, but not limited to, alleged obligations arising from personal injury, property damage, products liability, consumer complaints, employment law (excluding claims arising under workers' compensation law), secondary payor liability, or any other disputed legal or equitable claim based on tort, statute, contract, equity, or common law, be considered to be an obligation which is payable in the ordinary course of business; and (b) no application seeking payment of an Administrative Claim need be Filed with respect to Cure owing under an Executory Contract or Unexpired Lease if the amount of Cure is fixed or proposed to be fixed by order of the Bankruptcy Court pursuant to a motion to assume and fix the amount of Cure Filed by the Debtors and a timely objection asserting an increased amount of Cure Filed by the non-Debtors party to the subject contract or lease.

With respect to Administrative Claims, the last day for Filing an objection to any Administrative Claim will be the later of (a) 180 days after the Effective Date, (b) 90 days after the filing of such Administrative Claim or (c) such other date specified in the Plan, or ordered by the Bankruptcy Court.



## Section 12.02. Professional Fee Claims

(a) All final requests for payment of Professional Fee Claims pursuant to sections 327, 328, 330, 331, 503(b), or 1103 of the Bankruptcy Code must be made by application Filed with the Bankruptcy Court and served on the Reorganized Debtors, their counsel and other necessary parties-in-interest **no later than sixty (60) days after the Effective Date**, unless otherwise ordered by the Bankruptcy Court. Objections to such applications must be Filed and served on the Reorganized Debtors, its counsel and the requesting Professional or other Entity on or before the date that is thirty (30) days (or such longer period as may be allowed by order of the Bankruptcy Court) after the date on which the applicable application was served.

(b) The Reorganized Debtors may, without application to or approval by the Bankruptcy Court, retain professionals and pay reasonable professional fees and expenses in connection with services rendered to it after the Effective Date.

(c) The Reorganized Debtors shall, without application to or approval by the Bankruptcy Court, pay the accrued and unpaid fees and expenses of (i) Jefferies, (ii) Latham & Watkins LLP and Delaware and Mexican local counsel selected by Jefferies, as counsel to Jefferies, and (iii) Bracewell & Giuliani LLP, Kuri Breña Sánchez Ugarte y Aznar, and Delaware local counsel selected by the Series B Directors, as counsel to the Series B Directors, on the Effective Date in full in cash, to the extent not paid pursuant to any Bankruptcy Court order entered during the Chapter 11 cases and, as to clause (iii) only, solely to the extent required by, and subject to the terms and conditions of, the Series B Director Support Agreement.

## Section 12.03. Indenture Trustee Fees and Expenses

If the Reorganized Debtors dispute any portion of fees and expenses asserted under Sections 3.03 and 5.06(a)(iii)(11) of the Plan, the Reorganized Debtors shall pay the undisputed portion of such fees and expenses as set forth herein, and shall notify the party whose fees and/or expenses it disputes within 10 days after the presentation of such invoices to the Reorganized Debtors. The party whose fees are in dispute may at any time submit such dispute for resolution to the Bankruptcy Court, provided that, in the case of the First Priority Trustee and Second Priority Trustees, the Bankruptcy Court review shall be limited to a determination under the reasonable standards in accordance with the First Priority Indenture ~~and, the First Priority Collateral Trust Agreement, Second Priority Indenture and the~~ Second Priority Indenture Collateral Trust Agreement. In addition, the First Priority ~~Trustee~~ Trustees and Second Priority ~~Trustee~~ Trustees may assert their rights under the First Priority Indenture ~~and, the First Priority Collateral Trust Agreement, the~~ Second Priority Indenture and the Second Priority Collateral Trust Agreement to liens upon or other priority in payment with respect to the distributions to holders of the First Priority Notes and the Second Priority Notes to pay the disputed portion of the First Priority Trustees' and Second Priority Trustees' fees and expenses. Nothing herein shall waive, discharge or negatively affect any lien for any fees costs and expenses not paid by the Reorganized Debtors and otherwise claimed by the First Priority Trustees and Second Priority Trustees under the Plan.

#### **Section 12.04. Payment of Statutory Fees**

All fees payable pursuant to section 1930 of title 28 of the United States Code, as determined by the Bankruptcy Court at the Confirmation Hearing, shall be paid on or before the Effective Date. All such fees that arise after the Effective Date shall be paid by the Reorganized Debtors. The obligation of each of the Reorganized Debtors to pay quarterly fees to the Office of the United States Trustee pursuant to section 1930 of title 28 of the United States Code shall continue until such time as the Debtors' Cases are closed.

#### **Section 12.05. Non-Impairment of Governmental Power**

Notwithstanding any provision in the Plan or Confirmation Order to the contrary, the police, regulatory and sovereign power of the United Mexican States and the SCT shall not be impaired.

#### **Section 12.06. Modifications and Amendments**

(a) The Debtors may by mutual agreement alter, amend, or modify the Plan or any exhibits thereto under section 1127(a) of the Bankruptcy Code at any time prior to the Confirmation Date, subject to the consent of the Required Supporting Second Priority Noteholders. The Debtors shall provide parties-in-interest with notice of such amendments or modifications as may be required by the Bankruptcy Rules or order of the Bankruptcy Court. A Holder of a Claim or Interest that has accepted the Plan shall be deemed to have accepted the Plan, as altered, amended, modified, or clarified, if the proposed alteration, amendment, modification, or clarification does not materially and adversely change the treatment of the Claim or Interest of such Holder.

(b) After the Confirmation Date and prior to substantial consummation (as defined in section 1101(2) of the Bankruptcy Code) of the Plan, the Debtors or Reorganized Debtors, as applicable, may, under section 1127(b) of the Bankruptcy Code, institute proceedings in the Bankruptcy Court to remedy any defect or omission or to reconcile any inconsistencies in the Plan, the Disclosure Statement approved with respect to the Plan, or the Confirmation Order, and such matters as may be necessary to carry out the purpose and effect of the Plan so long as such proceedings do not adversely affect the treatment of Holders of Claims or Interests in the Debtors under the Plan; provided, however, that, to the extent required, prior notice of such proceedings shall be served in accordance with the Bankruptcy Rules or an order of the Bankruptcy Court. A Holder of a Claim or Interest that has accepted the Plan shall be deemed to have accepted the Plan, as altered, amended, modified, or clarified, if the proposed alteration, amendment, modification, or clarification does not materially and adversely change the treatment of the Claim or Interest of such Holder. In the event of any dispute as to whether such proposed alteration, amendment, modification, or clarification materially and adversely changes the treatment of the Claim or Interest of any such Holder, the Debtors or Reorganized Debtors, as the Cases may be, shall bear the burden of demonstrating that such proposed alteration, amendment, modification, or clarification does not materially adversely change the treatment of the Claim or Interest of such Holder.

### **Section 12.07. Continuing Exclusivity and Solicitation Period**

Subject to further order of the Bankruptcy Court, until the Effective Date, the Debtors shall, pursuant to section 1121 of the Bankruptcy Code, retain the exclusive right to amend the Plan and to solicit acceptances thereof, and any modifications or amendments thereto, subject to the consent of the Required Supporting Second Priority Noteholders.

### **Section 12.08. Severability of Plan Provisions**

If, prior to Confirmation, any term or provision of the Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court, at the request of the Debtors, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration, or interpretation, the remainder of the terms and provisions of the Plan shall remain in full force and effect and shall in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

### **Section 12.09. Successors and Assigns and Binding Effect**

The rights, benefits, and obligations of any Person or Entity named or referred to in the Plan shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, personal representative, successor, or assign of such Person or Entity, including, but not limited to, the Reorganized Debtors and all other parties-in-interest in the Chapter 11 Cases.

### **Section 12.10. Compromises and Settlements**

From and after the Effective Date, the Reorganized Debtors may compromise and settle various Claims against or Interests in the Debtors, Litigation Rights, and/or Avoidance Actions that they may have against other Persons or Entities without any further approval by the Bankruptcy Court; provided, however, that to the extent any such Claims, Litigation Rights or Avoidance Actions are pending before the Bankruptcy Court pursuant to Filings made during the pendency of the Chapter 11 Cases, the Debtors shall be required to obtain an appropriate order of the Bankruptcy Court concluding any such Filings.

Until the Effective Date, the Debtors expressly reserves the right to compromise and settle (subject to the approval of the Bankruptcy Court) Claims against or Interests in the Debtors, Avoidance Actions, Litigation Rights, or other claims that it may have against other Persons or Entities.

### **Section 12.11. Term of Injunctions or Stays**

Unless otherwise provided herein or in the Confirmation Order, all injunctions or stays provided for in the Chapter 11 Cases under sections 105 or 362 of the Bankruptcy Code or otherwise, and existing on the Confirmation Date (excluding any injunctions or stays contained

in the Plan or the Confirmation Order), shall remain in full force and effect until the Effective Date.

### **Section 12.12. Revocation, Withdrawal, or Non-Consummation**

The Debtors reserve the right to revoke or withdraw the Plan at any time prior to the Confirmation Date and to File subsequent plans of reorganization. If the Debtors revoke or withdraw the Plan prior to the Confirmation Date, or if Confirmation or the Effective Date does not occur, then (a) the Plan shall be null and void in all respects, (b) any settlement or compromise embodied in the Plan (including the fixing or limiting to an amount certain any Claim or Class of Claims), assumption or rejection of Executory Contracts or Unexpired Leases effected by the Plan, and any document or agreement executed pursuant to the Plan shall be deemed null and void, and (c) nothing contained in the Plan, and no acts taken in preparation for consummation of the Plan, shall (i) constitute or be deemed to constitute a waiver or release of any Claims against, or any Interests in, the Debtors, or any Avoidance Actions, Litigation Rights or other claims by or against the Debtors or any Person or Entity, (ii) prejudice in any manner the rights of the Debtors or any Person or Entity in any further proceedings involving the Debtors, or (iii) constitute an admission of any sort by the Debtors or any other Person or Entity.

### **Section 12.13. Plan Supplement**

The Plan Supplement shall be Filed with the Bankruptcy Court at least five (5) days prior to the Confirmation Hearing or by such later date as may be established by order of the Bankruptcy Court, provided that all documents set forth in the Plan Supplement shall first have been approved by the Debtors. Upon such Filing, all documents set forth in the Plan Supplement may be inspected in the office of the Clerk of the Bankruptcy Court during normal business hours. Holders of Claims or Interests may obtain a copy of any document set forth in the Plan Supplement upon written request to the Debtors in accordance with Section 11.21 of the Plan.

### **Section 12.14. Termination of Confidentiality Obligations**

Any other Holder of a Claim or Interest in the Debtors and their respective predecessors, successors and assigns shall cease to be obligated and bound by the terms of any confidentiality agreement executed by them in connection with this Chapter 11 Cases or the Debtors, except to the extent that such agreement, by its terms, may continue in effect after the Confirmation Date.

### **Section 12.15. Notices**

Any notice, request, or demand required or permitted to be made or provided under the Plan shall be (a) in writing, (b) served by (i) certified mail, return receipt requested, (ii) hand delivery, (iii) overnight delivery service, (iv) first class mail, or (v) facsimile transmission, and (c) deemed to have been duly given or made when actually delivered or, in the cases of notice by facsimile transmission, when received and telephonically confirmed, addressed as follows:

If to the Debtors:

Greenberg Traurig, LLP  
Attn: Victoria W. Counihan (No. 3488)

The Nemours Building  
1007 North Orange Street, Suite 1200  
Wilmington, DE 19801  
Tel: (302) 661-7000  
Fax: (302) 661-7360

-and-

Greenberg Traurig, P.A.  
Attn: Paul J. Keenan, Esq.  
333 Avenue of the Americas  
Miami, Florida 33131  
Tel: (305) 579-0500  
Fax: (305) 579-0717

If to the Reorganized Debtors:

Greenberg Traurig, LLP  
Attn: Victoria W. Counihan (No. 3488)  
The Nemours Building  
1007 North Orange Street, Suite 1200  
Wilmington, DE 19801  
Tel: (302) 661-7000  
Fax: (302) 661-7360

-and-

Greenberg Traurig, P.A.  
Attn: Paul J. Keenan, Esq.  
333 Avenue of the Americas  
Miami, Florida 33131  
Tel: (305) 579-0500  
Fax: (305) 579-0717

### **Section 12.16. Computation of Time**

In computing any period of time prescribed or allowed by the Plan, the provisions of Rule 9006(a) of the Bankruptcy Rules shall apply.

### **Section 12.17. Governing Law**

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules), the laws of (a) the State of Delaware shall govern the construction and implementation of the Plan and (except as may be provided otherwise in any such agreements, documents, or instruments) any agreements, documents, and instruments executed in

connection with the Plan, and (b) the laws of the state of incorporation of the Debtors shall govern corporate governance matters with respect to the Debtors; in each Cases without giving effect to the principles of conflicts of law thereof.

#### **Section 12.18. Dissolution of Committees**

On the Effective Date, any Committee shall be automatically dissolved and all members, Professionals and agents of such Committee shall be deemed released of their duties, responsibilities and obligations, and shall be without further duties, responsibilities and authority in connection with the Debtors, the Chapter 11 Cases, the Plan or its implementation.

#### **Section 12.19. Exhibits**

All exhibits are incorporated into and are a part of this Plan as if set forth in full herein, and, to the extent not annexed hereto, such exhibits shall be Filed with the Bankruptcy Court with or before the Plan Supplement. After the filing of the exhibits, copies of exhibits can be obtained upon written request to counsel for the Debtors at (i) Greenberg Traurig LLP, The Nemours Building, 1007 North Orange Street, Suite 1200, Wilmington, Delaware 19801, Attn: Victoria W. Counihan, Esq., (ii) Greenberg Traurig LLP, 200 Park Avenue, New York, New York 10166, Attn: Nancy A. Mitchell, Esq., Esq., and (iii) Greenberg Traurig, P.A., 333 Avenue of the Americas, Miami, Florida 33131, Attn.: Paul J. Keenan, or by downloading such exhibits from the Bankruptcy Court's website at <http://www.deb.uscourts.gov> (registration required) or the claims agent's website at <http://dm.epiq11.com/satmex>. To the extent any exhibit is inconsistent with the terms of the Plan, unless otherwise ordered by the Bankruptcy Court, the non-exhibit portion of the Plan shall control.

~~/s/ Victoria Counihan~~

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Counsel for the Debtors and Debtors-in-Possession

DATED: ~~March 8,~~ May 6, 2011

Document comparison by Workshare Professional on Friday, May 06, 2011 7:42:00 PM

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Document 2 ID	interwovenSite://NY-DMS/NY/241177373/8
Description	#241177373v8<NY> - Satmex - Modified Plan of Reorganization
Rendering set	standard

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Moved cell	
Split/Merged cell	
Padding cell	

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