

EXHIBIT A

DESCRIPTION OF SALIENT TERMS OF LORAL SETTLEMENT AGREEMENTS

SS/L Matters

Allowed Claim. Satmex was granted an allowed general unsecured claim in the aggregate amount of \$3,694,609 against SS/L in SS/L's chapter 11 case.

Termination of Contracts. The Amended and Restated Contract dated June 25, 2003 between Satmex and SS/L for the Satmex 6 Satellite Program (the "Satellite Construction Contract") and the Storage Agreement dated October 8, 2004 (the "Storage Agreement") between SS/L and Satmex were terminated without liability, except as provided in the Settlement Agreement.

New SS/L Contract. Concurrently with the parties' execution of the Settlement Agreement, Satmex and SS/L entered into a new contract relating to the Satmex 6 program and providing for, among other things, SS/L's continued launch and anomaly support for Satmex 6.

Release of Escrowed Funds by SS/L. SS/L authorized the release to Satmex of all funds held in escrow subject to that certain Depository Agreement dated as of July 2, 2003 by and among Satmex, SS/L and JPMorgan Chase Bank, N.A.

SpaceCom Matters

Termination of Agreements. The Satmex Management Agreement dated November 17, 1997 (the "Management Agreement") and the License Agreement dated November 17, 1997 (the "IP Agreement"), both by and between SpaceCom and Satmex, were terminated without claim or liability on the part of any party thereto.

Transponder Matters

New Satmex 5 Transponder Agreement. The Agreement Between SpaceCom and Satmex Concerning the Lease of Transponders and Provision of TT&C Services dated June 28, 1999 was terminated and, concurrently with the execution of the Settlement Agreement, Satmex and Loral Skynet entered into the New Satmex 5 Transponder Agreement.

Satmex agreed to provide and Loral Skynet agreed to receive satellite space segment capacity service consisting of three (3) 36 MHz Ku-band transponders: Ku-15, Ku-21 and Ku-23, along with tracking, telemetry and control ("TT&C") and maintenance of Satmex 5.

Loral Skynet or its assignee is entitled to peaceably hold and enjoy exclusive quiet use of the Skynet Transponders and is irrevocably entitled to use of the Skynet Transponders until the end of life of Satmex 5.

Satmex 6 Transponder Agreement. Concurrently with the execution of the Settlement Agreement, Satmex and LSCC entered into the Satmex 6 Transponder Agreement.

Satmex agreed to provide and LSCC agreed to receive satellite space segment capacity service consisting of two (2) 36 MHz Ku-band

transponders within transponder group Ku2-13 through Ku2-18 and two (2) 36 MHz C-band transponders within the transponder group C3-13 through C3-24, along with TT&C and maintenance of Satmex 6.¹

LSCC or its assignee is irrevocably entitled to peaceably hold and enjoy exclusive quiet use of the SS/L Transponders and is entitled to use of the SS/L Transponders until the end of life of Satmex 6.

Price and Payment. Satmex agrees to provide service on the Loral Transponders for the life of Satmex 5 and Satmex 6, as applicable, to certain Loral Entities or their assignees under the Loral Transponder Agreements in exchange for the various monetary offsets and financial and other accommodations made in favor of Satmex by the Loral Entities pursuant to the Loral Settlement Agreements.

Capacity Agreement Matters

Certain Outstanding Indebtedness. All outstanding payments through March 31, 2005 under the Capacity Agreements were set off as set forth in the Settlement Agreement and, as a result of such setoff, were deemed paid in full.

Other Capacity Payments. Any other remaining payments to be made by each of Satmex, Loral Skynet and LSNS under any Capacity Agreements to which it is a party were paid.

Assumption of the Active Capacity Agreements. SpaceCom, on behalf of Loral Skynet, and LSNS assumed each of the active Capacity Agreements to which it is a party (the "Active Capacity Agreements").

HNS Payments

Termination of Commission Payments. Except as set forth in section 29 of the New Satmex 5 Transponder Agreement, effective as of April 1, 2005, Satmex has no further obligation to pay Loral Skynet commission or other referral payments based on revenues received under the contract between Hughes Network Systems ("HNS") and Satmex for satellite space segment service on Satmex 5.

Mutual Releases

Each of Satmex and the Loral Entities, on behalf of itself and its affiliates and their respective estates, to the extent applicable, released, acquitted and forever discharged the other party(ies) from all claims and causes of action (as described more fully in the Settlement Agreement) under each of the following agreements: (i) the Satellite Construction Contract, (ii) the Storage Agreement, (iii) the IP Agreement or (iv) the Management Agreement; provided, however, that nothing in the Settlement Agreement was deemed to be a release or waiver of any of any party's obligations under the Loral Settlement Agreements or, as to Satmex, under Article 7 of the Satellite Construction Contract ("Compliance with U.S. Export Laws and Directives").

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The SS/L Transponders subsequently assigned by Satmex to LSCC (and its assignee SS/L) are C-15 and C-17, and Ku-16 and Ku-18.

Title to/Lien in Loral
Transponders²

Skynet Transponders. Satmex has an obligation to use its best efforts, and take all actions as Loral Skynet (or its assignee) may reasonably request, in order to lawfully transfer title to the Skynet Transponders to Loral Skynet or its assignee free and clear of any liens or encumbrances of any kind.

Pending transfer of title to the Skynet Transponders to Loral Skynet (or its assignee), Satmex shall grant to Loral Skynet or its assignee a valid lien and security interest in the Skynet Transponders, and all proceeds and products thereof, which shall be junior and silent to the Mortgage as provided in Attachment 1 to the New Satmex 5 Transponder Agreement, subject to the receipt of all required consents, and Satmex shall use its best efforts, and shall take all actions that Loral Skynet or its assignee may reasonably request to obtain such consent.

SS/L Transponders. Satmex has an obligation to use its best efforts, and shall take all actions as LSCC (or its assignee) may reasonably request, in order to lawfully transfer title to the SS/L Transponders to LSCC or its assignee free and clear of any liens or encumbrances of any kind.

Pending transfer of title to the SS/L Transponders to LSCC (or its assignee), Satmex has an obligation to grant to LSCC or its assignee a valid lien and security interest in the SS/L Transponders, and all proceeds and products thereof, which shall be junior and silent to the Mortgage as provided in Attachment 1 to the Satmex 6 Transponder Agreement, subject to the receipt of all required consents, and Satmex shall use its best efforts, and shall take all actions that LSCC or its assignee may reasonably request to obtain such consent.

² Upon the Loral Usufructo becoming effective, the New Satmex 5 Transponder Agreement and the Satmex 6 Transponder Agreement (collectively, the “Transponder Agreements”) shall be terminated and the Loral Settlement Agreements shall be appropriately modified to reflect the substitution of the Loral Usufructo for the Transponder Agreements.