

Stratos Global Corporation
Opposition
WC Docket No. 07-73
DA 07-2257
Filed July 9, 2007

ATTACHMENT A

This Management Proxy Circular and the accompanying materials require your immediate attention. If you are in doubt as to how to deal with these documents or the matters to which they refer, please consult a professional adviser.



**ARRANGEMENT INVOLVING
STRATOS GLOBAL CORPORATION
AND
CIP CANADA INVESTMENT INC.**

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON JUNE 12, 2007
AND
MANAGEMENT PROXY CIRCULAR**

May 4, 2007



May 4, 2007

Dear Shareholder:

The Board of Directors cordially invites you to attend the annual and special meeting of shareholders of Stratos Global Corporation ("Stratos") to be held commencing at 2:00 p.m. (Toronto time) on June 12, 2007 at Northern Lights Ballroom, Renaissance Toronto Hotel Downtown, One Blue Jays Way, Toronto, Ontario.

At the meeting, in addition to matters to be considered in connection with the annual general meeting of the shareholders, the shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, a resolution approving a statutory arrangement pursuant to Section 192 of the *Canada Business Corporations Act* whereby CIP Canada Investment Inc., an indirect wholly-owned subsidiary of Communications Investment Partners Limited, will acquire all of the outstanding shares of Stratos (the "Arrangement"). Under the Arrangement, shareholders will receive C\$6.40 in cash for each common share of Stratos.

The Board of Directors of Stratos has determined that the consideration being offered pursuant to the Arrangement is fair, from a financial point of view, to shareholders and that the Arrangement is in the best interests of Stratos and recommends that shareholders vote in favour of the resolution approving the Arrangement. The recommendation of the Board of Directors and the Special Committee of the Board of Directors is based on various factors, including the opinions of Bear, Stearns & Co. Inc. and RBC Dominion Securities Inc., financial advisers to the Special Committee of the Stratos Board of Directors and Stratos, respectively, to the effect that, as of the date of such opinions, the offered consideration of C\$6.40 for each Stratos common share pursuant to the Arrangement is fair, from a financial point of view, to the shareholders of Stratos.

To be effective, the Arrangement must be approved by a special resolution passed by two-thirds of the votes cast by the shareholders present in person or by proxy at the special meeting. The Arrangement is also subject to certain conditions and the approval of the Ontario Superior Court of Justice.

The accompanying Notice of Annual and Special Meeting and Management Proxy Circular provide a full description of the Arrangement and include certain additional information to assist you in considering how to vote on the Arrangement. You are encouraged to consider carefully all of the information in the accompanying Circular including the documents incorporated by reference therein. If you require assistance, you should consult your financial, legal or other professional advisers.

Your vote is important regardless of the number of Stratos common shares you own. If you are a registered holder of Stratos common shares, we encourage you to take the time now to complete, sign, date and return the enclosed form of proxy by not later than 2:00 p.m. (Toronto time) on June 8, 2007, to ensure that your shares will be voted at the meeting in accordance with your instructions, whether or not you are able to attend in person. If you hold your shares through a broker or other intermediary, you should follow the instructions provided by your broker or other intermediary to vote your shares.

Subject to obtaining court approval and satisfying all other conditions of closing, including obtaining the approval of Stratos' shareholders, it is anticipated that the Arrangement will be completed in the third quarter of 2007. If you have any questions relating to the Arrangement, please contact Georgeson Shareholder Communications Canada Inc., toll free, at 1-866-682-6144.

On behalf of Stratos, we would like to thank all shareholders for their ongoing support as we prepare for this important event in Stratos' history.

Yours very truly,

A handwritten signature in black ink, appearing to read "Charles W. Bissegger".

Charles W. Bissegger
Chairman of the Board

A handwritten signature in black ink, appearing to read "James J. Parm".

James J. Parm
Director, President and Chief Executive Officer



STRATOS GLOBAL CORPORATION
Notice of Annual and Special Meeting of Shareholders
May 4, 2007

NOTICE IS HEREBY GIVEN that an annual and special meeting (the "Meeting") of the holders of common shares (the "Shareholders") of Stratos Global Corporation ("Stratos") will be held at Northern Lights Ballroom, Renaissance Toronto Hotel Downtown, One Blue Jays Way, Toronto, Ontario, on June 12, 2007 at 2:00 p.m. (Toronto time) for the following purposes:

1. in accordance with the interim order of the Ontario Superior Court of Justice dated May 2, 2007 (the "Interim Order"), to consider and, if deemed advisable, to pass, with or without variation, an Arrangement Resolution approving an arrangement (the "Arrangement") under section 192 of the *Canada Business Corporations Act* (the "CBCA"), the purpose of which is to effect, among other things, the acquisition of all of the common shares of Stratos by CIP Canada Investment Inc., an indirect wholly-owned subsidiary of Communications Investment Partners Limited, for C\$6.40 in cash for each Stratos common share, all as more fully set forth in the accompanying management proxy circular of Stratos (the "Circular");
2. to receive the annual report of Stratos that contains the audited comparative consolidated financial statements of Stratos as at and for the fiscal year ended December 31, 2006 and the auditors' report thereon, a copy of which is enclosed herewith;
3. to elect directors;
4. to re-appoint Stratos' auditors for the ensuing year and to authorize the Board of Directors to fix their remuneration; and
5. to transact such further or other business as may properly come before the Meeting and any adjournments or postponements thereof.

The Board of Directors has fixed May 1, 2007 as the record date for determining Shareholders who are entitled to receive notice of and to vote at the Meeting. Only Shareholders of record on May 1, 2007 are entitled to receive notice of the Meeting and to attend and vote at the Meeting. This Notice is accompanied by the Circular, a form of proxy and a letter of transmittal (printed on yellow paper).

Registered holders of Stratos common shares ("Common Shares") are requested to complete, date, sign and deposit the enclosed form of proxy with Stratos, c/o Computershare Investor Services Inc., Proxy Department, 100 University Avenue, Toronto, Ontario, M5J 2Y1, toll free fax number in North America +1 (866) 249-7775 or international fax number +1 (416) 263-9524, prior to 2:00 p.m. (Toronto time) on June 8, 2007, or, if the Meeting is adjourned or postponed, not less than 48 hours (Saturdays, Sundays and holidays excepted) prior to the start of such adjourned or postponed meeting, in each case unless such time limit for deposit of proxies is waived by the Board of Directors of Stratos. Non-registered holders of Common Shares should complete and return the voting instruction form or other authorization provided to them in accordance with the instructions provided therein. Failure to do so may result in your Common Shares not being voted at the Meeting. If you have any questions about the information contained in the Circular or require assistance in completing your form of proxy or letter of transmittal, please contact Stratos' proxy solicitation agent, Georgeson Shareholder Communications Canada Inc., toll free, at 1-866-682-6144.

Registered holders of Common Shares who validly dissent from the Arrangement will be entitled to be paid the fair value of their Common Shares, subject to strict compliance with Section 190 of the CBCA, as modified by the provisions of the Interim Order, the final order of the Ontario Superior Court of Justice (the "Final Order") and the plan of arrangement in respect of the Arrangement (the "Plan of Arrangement"). Failure to comply strictly with the requirements set forth in Section 190 of the CBCA, as modified by the provisions of the Interim Order, the Final Order and the Plan of Arrangement, may result in the loss or unavailability of any right of dissent.

The Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this Notice. Any adjourned or postponed meeting resulting from an adjournment or

postponement of the Meeting will be held at a time and place to be specified either by Stratos before the Meeting or by the Chair at the Meeting.

DATED at Bethesda, Maryland, May 4, 2007.

BY ORDER OF THE BOARD OF DIRECTORS

A handwritten signature in black ink, appearing to read "Charles W. Bissegger". The signature is fluid and cursive, with a prominent initial "C" and a long, sweeping underline.

Charles W. Bissegger
Chairman of the Board

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STRATOS MANAGEMENT PROXY CIRCULAR

This Circular is furnished in connection with the solicitation of proxies by and on behalf of the management of Stratos Global Corporation (“Stratos” or the “Corporation”). The accompanying form of proxy is for use at the Meeting and at any adjournment or postponement thereof and for the purposes set forth in the accompanying Notice of Meeting. A glossary of certain terms used in this Circular can be found beginning on page 58 of this Circular.

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

Stratos is a corporation continued under the *Canada Business Corporations Act* by certificate of continuance. The solicitation of proxies and the transactions contemplated in this Circular involve securities of a Canadian issuer and are being effected in accordance with Canadian corporate and securities laws. The proxy rules under the Exchange Act are not applicable to Stratos nor this solicitation and therefore this solicitation is not being effected in accordance with such United States securities laws. Shareholders should be aware that disclosure requirements under Canadian laws may be different from such requirements under United States securities laws. Shareholders should be aware that requirements under Canadian laws may differ from requirements under United States corporate and securities laws relating to United States corporations.

The enforcement by investors of civil liabilities under United States federal securities laws may be affected adversely by the fact that Stratos is organized under the laws of Canada, and that some of its respective officers and directors are residents of Canada and that a substantial portion of its assets may be located outside the United States. You may not be able to sue a Canadian company or its officers or directors in a Canadian court for violations of United States securities laws. It may be difficult to compel a Canadian company and its affiliates to subject themselves to a judgement by a United States court.

THIS TRANSACTION HAS NOT BEEN APPROVED OR DISAPPROVED BY ANY SECURITIES REGULATORY AUTHORITY NOR HAS ANY SECURITIES REGULATORY AUTHORITY PASSED UPON THE FAIRNESS OR MERITS OF THIS TRANSACTION OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

Certain information concerning tax consequences of the Arrangement for Shareholders who are not resident in Canada is set forth in “Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada”. Shareholders should be aware that the transactions contemplated herein may have tax consequences both in Canada and in the United States. Such consequences are not described fully herein.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements included or incorporated by reference herein constitute “forward-looking statements”. All statements, other than statements of historical fact, included or incorporated by reference in this Circular that address future activities, events, developments or financial performance, are forward-looking statements. These forward-looking statements can be identified by the use of forward-looking words such as “may”, “should”, “will”, “could”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “future” or “continue” or the negative thereof or similar variations. These forward-looking statements are based on certain assumptions and analyses made by Stratos, CIP and CIP Acquireco and their respective managements, in light of their experiences and their perception of historical trends, current conditions and expected future developments, as well as other factors they believe are appropriate in the circumstances. Shareholders are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties, assumptions and other factors, many of which are outside the control of Stratos, CIP and CIP Acquireco, that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, among other things, general economic and market factors, including interest rates, equity markets, business competition and changes in government regulations or in tax laws. Such forward-looking statements should, therefore, be construed in light of such factors. All forward-looking statements attributable to Stratos, CIP and CIP Acquireco, or persons acting on their behalf, are expressly qualified in their entirety by the cautionary statements set forth above. Readers of this Circular are cautioned not to place undue reliance on forward-looking statements contained in this Circular, which reflect the analysis of the management of Stratos, CIP or CIP Acquireco, as appropriate, only as of the date of this Circular. Stratos, CIP and CIP Acquireco

are under no obligation, and expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

REPORTING CURRENCIES

Unless otherwise indicated, all references to “US\$” or “United States dollars” in this Circular refer to United States dollars and all references to “C\$” or “Canadian dollars” in this Circular refer to Canadian dollars. On March 16, 2007, the last trading day before the announcement of the Arrangement, the exchange rate for one United States dollar expressed in Canadian dollars, based on the noon buying rates provided by the Bank of Canada, was C\$1.1740. On May 3, 2007, the exchange rate for one United States dollar expressed in Canadian dollars, based upon the noon buying rates provided by the Bank of Canada, was C\$1.1070.

INFORMATION CONTAINED IN THIS CIRCULAR

The information contained in this Circular is given as at April 30, 2007, except where otherwise noted and except that information in documents incorporated by reference is given as of the dates noted therein.

No person has been authorized to give any information or to make any representation in connection with the Arrangement and other matters described herein other than those contained in this Circular and, if given or made, any such information or representation should be considered not to have been authorized by Stratos.

This Circular does not constitute the solicitation of an offer to purchase any securities or the solicitation of a proxy by any person in any jurisdiction in which such solicitation is not authorized or in which the person making such solicitation is not qualified to do so or to any person to whom it is unlawful to make such solicitation.

Information contained in this Circular should not be construed as legal, tax or financial advice and Shareholders are urged to consult their own professional advisers in connection therewith.

INFORMATION PERTAINING TO CIP GROUP AND INMARSAT PLC

Certain information pertaining to CIP, CIP UK Holdings Limited, CIP Acquireco, and Inmarsat plc and its affiliates included or incorporated by reference herein, including forward-looking statements, has been provided by CIP and Inmarsat plc, or is based on publicly available documents and records. Although Stratos does not have any knowledge that would indicate that any such information is untrue or incomplete, Stratos assumes no responsibility for the accuracy or completeness of such information, nor for the failure by such other persons to disclose events that may have occurred or that may affect the completeness or accuracy of such information but that is unknown to Stratos.

SUMMARY

The following information is a Summary of the contents of this Circular. This Summary is provided for convenience only and the information contained in this Summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information and financial data and statements contained elsewhere in this Circular, including the appendices hereto and documents incorporated by reference herein. Capitalized terms in this Summary have the meanings set out in the Glossary of Terms or as set out in this Summary. The full text of the Arrangement Agreement is appended to this Circular as Appendix "H". A glossary of certain terms used in this Circular can be found beginning on page 58 of this Circular.

Date, Time and Place of Meeting

The Meeting will be held on June 12, 2007, at 2:00 p.m. (Toronto time) at The Northern Lights Ballroom, Renaissance Toronto Hotel Downtown, One Blue Jays Way, Toronto, Ontario.

The Record Date

The Record Date for determining the Shareholders entitled to receive notice of and to vote at the Meeting is as of the close of business on May 1, 2007.

Purpose of the Meeting

At the Meeting, the Shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, the Arrangement Resolution giving effect to the acquisition of Stratos by CIP Acquireco. The approval of the Arrangement Resolution will require the affirmative vote of two-thirds of the votes cast by the Shareholders present in person or by proxy at the Meeting.

In addition to the Arrangement Resolution, the Shareholders will also be asked to elect the directors of the Corporation and to re-appoint the Corporation's auditors for the ensuing year and to authorize the Board of Directors to fix their remuneration.

The Arrangement

If the Arrangement Resolution is approved by two-thirds of the voting Shareholders and all of the other conditions to closing of the Arrangement are satisfied or waived, CIP Acquireco will purchase all of the outstanding Common Shares at a cash price per Common Share of C\$6.40. Each Stratos Option granted and outstanding immediately prior to the Effective Time will be acquired by Stratos for a payment in cash equal to the excess, if any, of C\$6.40 over the exercise price of such Stratos Option. Stratos does not expect any amounts to be paid to holders of Stratos Options at a price per Common Share of C\$6.40. Legal title to each Common Share purchased through the Arrangement will be held by an independent third party trust. If the Arrangement Resolution is approved, the Arrangement will be implemented by way of a court-approved plan of arrangement under the *Canada Business Corporations Act* ("CBCA"). See "The Arrangement" for further details.

The Arrangement under section 192 of the CBCA will be carried out pursuant to the Arrangement Agreement, the Plan of Arrangement, the Trust Agreement and other related documents.

Recommendation of the Special Committee

The Board of Directors established the independent Special Committee to, among other things, review and consider the proposed transaction involving Inmarsat plc. The Special Committee and Board of Directors received opinions from their financial advisers, Bear Stearns and RBC Capital Markets, that, as of the date of such opinions, the offered consideration of C\$6.40 for each Common Share is fair, from a financial point of view, to the Shareholders. After careful consideration, the Special Committee unanimously determined that the offered consideration of C\$6.40 for each Common Share under the Arrangement is fair, from a financial point of view, to the Shareholders and that the Arrangement is in the best interests of Stratos. The Special Committee unanimously recommended that the Board of Directors approve the Arrangement and recommend that Shareholders vote for the Arrangement Resolution.

Recommendation of the Board of Directors

After careful consideration, the independent members of the Board of Directors unanimously determined that the offered consideration of C\$6.40 for each Common Share under the Arrangement is fair, from a financial point of view, to the Shareholders and that the Arrangement is in the best interests of Stratos. **Accordingly, the Board of Directors unanimously recommends that Shareholders vote FOR the Arrangement Resolution.**

Reasons for Recommending the Arrangement

In the course of their evaluation of the Arrangement, the Special Committee and the Board of Directors consulted with Stratos' senior management, legal counsel and financial advisers and considered a number of factors including, among others, the following:

Terms of Arrangement with CIP

Premium to the Shareholders. The Arrangement represents a premium to the average historical trading price of the Common Shares. In particular, the offer represents a premium of 7 percent compared with the closing price of Stratos shares on March 8, 2007, the last trading day before an article appeared in *The Globe and Mail* suggesting the possibility of a sale of Stratos, a premium of 15 percent compared with the most recent 1-month average trading price through March 8, 2007 and a premium of 25 percent compared with the 3-month average trading price through that date.

Benefits of a Cash Deal. The Arrangement consideration is all cash, providing certainty of value to the Shareholders.

Adequate Financing Arrangements. The Arrangement Agreement is not subject to a financing condition in favour of CIP Acquireco. The Commitment Letter in respect of the financing by Inmarsat Finance of CIP's indirect purchase of the Common Shares, together with Inmarsat plc's covenants to Stratos in the Letter Agreement, provide a high degree of certainty that CIP Acquireco will have the necessary funds to implement the Arrangement.

Fairness Opinions. The opinions of each of Bear Stearns and RBC Capital Markets to the effect that, as of the date thereof, and subject to the analyses, assumptions, qualifications and limitations set forth therein, the offered consideration of C\$6.40 per Common Share pursuant to the Arrangement is fair, from a financial point of view, to the Shareholders.

Arrangement Agreement Terms are Fair. The terms of the Arrangement Agreement are fair to Stratos and the Shareholders.

Comprehensive Negotiation Process. The Arrangement resulted from a comprehensive negotiation process with respect to the key elements of the Arrangement that was undertaken at the direction of the Special Committee that has been managed by the advisers, under the leadership of Bear Stearns and with the assistance of internal and external counsel. The Special Committee was fully informed on a timely basis of all elements of the negotiation and participated directly in each material decision. The Board of Directors was informed periodically and as appropriate of the material elements of the negotiation process.

Strategic Considerations

Pending Expiration of CFA and Distribution Agreements. The Arrangement provides Stratos with an effective and appropriate resolution to the significant challenges that likely will arise in April 2009 following the expiration of the Commercial Framework Agreement (the "CFA") and other distribution agreements with Inmarsat Global Limited ("Inmarsat Global") and its affiliates. Inmarsat plc has publicly stated that the CFA will not be extended beyond April 2009, that the current volume discount schemes will not continue in their current form, that Inmarsat plc will directly sell to certain high value customers, and that the distinction between distribution partners and service providers will be reduced. As a result, after April 14, 2009, Stratos expects that Inmarsat plc will likely compete with Stratos for certain customers, particularly in the government and military segment (of which Stratos has a disproportionately large share), and that margins for distribution of Inmarsat services may decrease as the distinction between distribution partners and service providers is eroded. Further, the elimination or substantial modification of the volume discount arrangements could have a significant and immediate impact on Stratos' earnings through increased costs (for reference, Stratos' total volume discounts from Inmarsat plc in fiscal 2006 were US\$22.4 million, representing approximately 30% of Stratos' combined segment earnings in 2006).

Certainty of Deal Completion. The transaction structure was refined with advice from a Queen's Counsel in the United Kingdom, jointly instructed by Stratos, CIP and Inmarsat plc. The Queen's Counsel specifically considered the structure's compliance with the CFA and Inmarsat Global's other existing distribution agreements (which are governed by UK law). Furthermore, the conditions to the completion of the Arrangement are limited.

Alternative Transaction by CIP with other Distribution Partners. The structure of the transaction, whereby an independent third party such as CIP completes an acquisition with similar financing provided by Inmarsat Finance, could be pursued by CIP or others with another distribution partner if Stratos did not pursue the Arrangement. Separately, Inmarsat plc could acquire another distribution partner directly after 2009, which would be expected to have a significant adverse impact on Stratos.

Loss of Subsequent Arbitration Proceeding Against Inmarsat Global. In February 2007, following an arbitration hearing, an independent arbitrator ruled that Inmarsat Global was permitted to appoint a proposed new distribution partner to distribute Inmarsat BGAN Services. As a result of this ruling, Inmarsat Global may be able to appoint other “qualified” affiliate entities of existing service providers to distribute Inmarsat BGAN Services in direct competition with Stratos.

Reasonable Terms of Arrangement

Deal Protections Not Onerous. The deal protection provisions in the Arrangement Agreement are reasonable in the circumstances and do not preclude other offers for Stratos.

Competing Bids Are Not Impeded. Under the Arrangement Agreement, the Board of Directors remains able to respond to unsolicited proposals that are more favourable or could reasonably be expected to be more favourable to the Shareholders than the Arrangement. Further, the Meeting has been scheduled such that there is ample time from the March 19, 2007 announcement date for an interested third party offeror to come forward with a superior offer.

Court Approval. The Arrangement must be approved by the Ontario Superior Court of Justice, which will consider, among other matters, the fairness of the Arrangement to Shareholders.

Approval Threshold. The Board of Directors considered the required approvals to be protective of the rights of the Shareholders. The Arrangement Resolution must be approved by two-thirds of the votes cast by the Shareholders at the Meeting. This condition permits the Shareholders, instead of the Special Committee or the Board of Directors, to ultimately determine whether the Arrangement proceeds.

Availability of Dissent Rights. Shareholders who oppose the Arrangement Resolution may, upon compliance with certain conditions, exercise Dissent Rights under the CBCA and receive fair value for their Common Shares as determined by a court.

See “The Arrangement – Reasons for the Arrangement” in this Circular for a more detailed explanation of the reasons for approving the Arrangement.

Fairness Opinions of Bear Stearns and RBC Capital Markets

As at the date of the Fairness Opinions and subject to the analyses, assumptions, qualifications and limitations discussed in the Fairness Opinions, each of Bear Stearns and RBC Capital Markets have concluded that the offered consideration of C\$6.40 for each Common Share pursuant to the Arrangement is fair, from a financial point of view, to the Shareholders.

See “The Arrangement — Fairness Opinions of Bear Stearns and RBC Capital Markets” in this Circular and the Fairness Opinions attached as Appendix “E” and “F” to this Circular. The Shareholders are encouraged to read the Fairness Opinions in their entirety for a description of the assumptions made, procedures followed, matters considered and limitations on the reviews undertaken.

Regulatory Matters

The Arrangement is conditional upon the receipt of regulatory approvals on terms that are reasonably satisfactory to CIP and the making of certain regulatory filings, including, as applicable: Industry Canada under the *Investment Canada Act*; the U.S. Federal Communications Commission under the *Communications Act*; the U.S. Executive Branch (the Committee on Foreign Investment in the United States) under the *Defense Production Act*; the Louisiana Public Service Commission; the Federal Anti-Monopoly Service of the Russian Federation; the Overseas Investment Office under the *New Zealand Overseas Investment Act 2005*; and the U.S. Department of Justice/Federal Trade Commission under the *Hart-Scott-Rodino Antitrust Improvements Act* of 1976.

See “The Arrangement – Regulatory Approvals” in this Circular.

Dissenting Shareholders' Rights

Registered Shareholders are entitled to exercise Dissent Rights by providing written notice to Stratos at or before 5:00 p.m. (Toronto time) on June 11, 2007, or, if the Meeting is adjourned or postponed, 5:00 p.m. (Toronto time) on the Business Day preceding the date of such adjourned or postponed Stratos Meeting, in the manner described under the heading "Dissenting Shareholders' Rights" in this Circular. If a Registered Shareholder dissents, and the Arrangement is completed, the Dissenting Shareholder is entitled to be paid the "fair value" of his or her Common Shares as of the close of business on the day before the Arrangement Resolution is adopted. This amount may be the same as, more than, or less than the C\$6.40 in cash per Common Share offered under the Arrangement. Shareholders should carefully read the section in this Circular entitled "Dissenting Shareholders' Rights" if they wish to exercise Dissent Rights. If the number of Common Shares held by Registered Shareholders that duly exercise their Dissent Rights exceeds 20% of the number of Common Shares outstanding immediately prior to the Effective Date, CIP Acquireco is entitled, in its discretion, to not complete the Arrangement.

See "The Arrangement – Dissenting Shareholders' Rights" in this Circular.

Acquisition by CIP Acquireco

Under the Plan of Arrangement, all of the issued and outstanding Common Shares will be acquired by CIP Acquireco in exchange for C\$6.40 per Common Share. See "Plan of Arrangement" in this Circular. The obligations of Stratos and CIP Acquireco in effecting the Arrangement are set forth in the Arrangement Agreement. See "The Arrangement Agreement" below.

The financing for the acquisition will be provided indirectly to CIP Acquireco by a wholly-owned subsidiary of Inmarsat plc, Inmarsat Finance. The financing will fund the payment of the Cash Consideration, as well as the purchase of Stratos Bonds tendered in the offer to repurchase the Stratos Bonds, as required upon completion of the Arrangement, or the refinancing of the Stratos Credit Facility. In order to fund its obligations under such financing, Inmarsat Finance will enter into a credit facility with third party commercial lenders. See "Financing Arrangements" in this Circular.

Upon the consummation of the Arrangement, and under the terms of the Plan of Arrangement, CIP Acquireco will become the beneficial owner of all Common Shares acquired in the Arrangement, while legal title to all such Common Shares will be placed into trust in accordance with the terms of the Trust Agreement. As a result of the arrangements contemplated by the Trust Agreement, the Trustee will have legal ownership and effective control over Stratos during the term of the Trust. The Trust is being established in order to isolate control of Stratos from both CIP and Inmarsat plc, and to facilitate the expeditious regulatory review and approval of the acquisition of Stratos. Stratos will continue to operate independently subsequent to consummation of the Arrangement under the direction of its Board of Directors, and with its own independent auditors. See "The Trust Agreement" in this Circular.

In addition, Inmarsat Finance has entered into a call option agreement with CIP, providing it with an option to acquire the shares of CIP Limited (whose subsidiaries will include, when the call option is exercisable, CIP Acquireco and Stratos) when Inmarsat plc or the relevant member of the Inmarsat group of companies is permitted to do so under contractual arrangements entered into with certain distribution partners (the "Distribution Agreements"). The Call Option is exercisable on the earlier of April 14, 2009 and such date as all provisions in all Distribution Agreements restricting or prohibiting the exercise and completion of the Call Option shall have been waived, terminated or otherwise expired. The Call Option shall expire and shall no longer be capable of being exercised after December 31, 2010. See "The Call Option Agreement" in this Circular.

In connection with the Arrangement, Stratos and Inmarsat plc have agreed to certain mutual covenants and agreements set forth in the Letter Agreement. See "The Letter Agreement" in this Circular.

Effective Date of Arrangement

If the Arrangement Resolution is passed, the Final Order is obtained, every other requirement of the CBCA relating to the Arrangement is complied with and all other conditions disclosed below under "The Arrangement Agreement — Conditions Precedent to the Arrangement" are satisfied or waived, the Arrangement will become effective on the Effective Date. CIP and Stratos currently expect that the Effective Date will be in the third quarter of 2007.

Letter of Transmittal

A letter of transmittal is enclosed with this Circular for use by the Shareholders for the purpose of surrendering share certificates representing Common Shares to the Depository at an address of the Depository set out in the letter of transmittal. Provided that a Registered Shareholder has delivered and surrendered to the Depository all share certificates, together with a letter of transmittal properly completed and executed in accordance with the instructions of such letter of transmittal, and any additional documents as the Depository may reasonably require, the Shareholder will be entitled to receive the Cash Consideration in respect of the exchange of Common Shares.

See “Acquisition by CIP Acquireco — The Arrangement — Letter of Transmittal” in this Circular.

Lost Certificates

The Plan of Arrangement sets out a process to address circumstances where Common Share certificates have been lost, stolen, or destroyed, pursuant to which the holder of the lost, stolen or destroyed certificates shall swear an affidavit to that effect and execute any other required documents, at which point the Depository shall deliver a cheque for the amount of the Cash Consideration, corresponding to the appropriate number of lost, stolen or destroyed certificates, to said holder.

See “Acquisition by CIP Acquireco — The Arrangement — Lost Certificates” in this Circular.

The Arrangement Agreement

Conditions to Completion of the Arrangement

The implementation of the Arrangement is subject to a number of conditions being satisfied or waived by the parties to the Arrangement Agreement on or before Effective Date, including the following:

Mutual Conditions Precedent

- the Interim Order shall have been granted;
- the Final Order shall have been granted;
- subject to certain limited exceptions, there shall not be in force (i) any Prohibition Order (being, amongst others, a permanent or final order or binding arbitral award or decision, whether or not appealable or appealed), or (ii) any Laws, ruling, order or decree issued by any Governmental Entity of competent jurisdiction that, in either case, restrains, enjoins or prohibits the consummation of the Arrangement in accordance with its terms; and
- subject to certain limited exceptions, the Regulatory Approvals (as set out in the Arrangement Agreement) shall have been obtained or received on terms that are reasonably satisfactory to CIP Limited and CIP Acquireco.

Shareholder Approval

The obligations of Stratos, CIP Limited and CIP Acquireco to complete the Arrangement are subject to the Arrangement Resolution being passed at the Meeting in accordance with the Interim Order. In order for the Arrangement to become effective, the Arrangement Resolution must be passed by at least two-thirds of the votes cast by Shareholders present in person or represented by proxy at the Meeting.

Additional Conditions Precedent to the Obligations of the Parties

The obligations of each of Stratos, CIP Limited and CIP Acquireco to complete the Arrangement are also subject to the fulfillment of certain further conditions on or before the Effective Date or such earlier time as is specified, including:

- the performance by the other parties of their respective covenants under the Arrangement Agreement in all material respects;
- the representations and warranties of the other parties being true and correct in all material respects, as specified in the Arrangement Agreement; and
- the adoption of all necessary resolutions and completion of all other necessary corporate action by the other parties to permit the consummation of the Arrangement.

The obligation of Stratos to complete the Arrangement is also subject to the condition that:

- there is payment of the consideration for the Arrangement by or at the direction of CIP Limited and CIP Acquireco as specified in the Arrangement Agreement.

The obligation of CIP Limited and CIP Acquireco to complete the Arrangement is also subject to further conditions, including that:

- no Material Adverse Change (as defined in the Arrangement Agreement) of Stratos shall have occurred or any one or more changes, effects, events, occurrences or states of facts that, either individually or in the aggregate, have a Material Adverse Effect on Stratos; and
- Shareholders holding no more than 20% of the outstanding Common Shares shall have exercised Dissent Rights.

See “The Arrangement Agreement — Conditions Precedent to the Arrangement” in this Circular.

Representations and Warranties

The Arrangement Agreement contains customary representations and warranties of Stratos relating to matters that include, among other things: organization, capitalization, authority, directors’ approvals, Stratos subsidiaries, no defaults, absence of changes, employment agreements, collective agreements, financial matters, no prohibited payments, minute books and records, litigation, title to properties and condition of assets, status of land earth stations, intellectual property, permits, insurance, environmental, tax matters, employee plans, reporting status, foreign private issuer status, securities and other reports, compliance with laws and exchange requirements, no cease trade, no option on assets, material contracts, disclosure/internal contracts, government grants, non-arm’s length transactions, regulatory matters and no brokers commission.

The Arrangement Agreement also contains customary representations and warranties of CIP Limited and CIP Acquireco relating to matters that include: organization, authority, no defaults, financing, common shares, and ownership and control.

Covenants

The Arrangement Agreement contains customary covenants of Stratos with respect to certain matters including, without limitation, carrying on its business in the ordinary course during the interim period, recommending to Shareholders that they vote in favour of the Arrangement Resolution, using all commercially reasonable efforts to obtain all necessary Regulatory Approvals, using all commercially reasonable efforts to obtain the consent of lenders under the Stratos Credit Facility in respect of the change of control contemplated by the Arrangement or to obtain a commitment letter to refinance such credit facility, adopting a new management incentive plan acceptable to CIP Limited and CIP Acquireco, and retaining in force the Corporation’s shareholder rights plan. Each of CIP Limited and CIP Acquireco has similarly covenanted to use all commercially reasonable efforts to obtain all necessary Regulatory Approvals.

No Solicitation/Superior Proposal

In the Arrangement Agreement, Stratos has agreed not to, directly or indirectly, solicit or participate in any discussions or negotiations with any person (other than the CIP Group) regarding an Acquisition Proposal. Nonetheless, the Board of Directors is permitted to consider and accept a Superior Proposal under certain conditions. CIP Limited and CIP Acquireco are entitled to a five business day period within which to exercise a right to match any Superior Proposal. If Stratos enters into an agreement regarding a Superior Proposal, Stratos will be required to pay to CIP Limited the Termination Fee.

See “The Arrangement Agreement — No Solicitation”, “The Arrangement Agreement — Superior Proposals” and “The Arrangement Agreement — Termination Fee” in this Circular.

Termination Fee

The Arrangement Agreement provides that Stratos will pay to CIP Limited a Termination Fee of C\$8,000,000 under certain circumstances, including if: (i) Stratos terminates the Arrangement Agreement in order to accept a Superior Proposal; (ii) the Board of Directors changes its recommendation to Shareholders in respect of the Arrangement Resolution, and CIP Limited and CIP Acquireco terminate the Arrangement Agreement in accordance with its terms; or (iii) CIP terminates the Arrangement Agreement as a result of an intentional, wilful or deliberate breach of specified covenants in the Arrangement Agreement by Stratos.

See “The Arrangement Agreement — Termination Fee” in this Circular.

Termination of Arrangement Agreement

Stratos, CIP Limited and CIP Acquireco may agree in writing to terminate the Arrangement Agreement and abandon the Arrangement at any time prior to the Effective Time. In addition, either Stratos or CIP Limited and CIP Acquireco may terminate the Arrangement Agreement and abandon the Arrangement at any time prior to the Effective Time if certain specified events occur or if the Shareholders do not approve the Arrangement or if the Arrangement has not been completed by September 28, 2007 (subject to two 30-day extensions for Regulatory Approvals only, as specified in the Arrangement Agreement).

See “The Arrangement Agreement — Termination of the Arrangement Agreement” in this Circular.

Certain Canadian Federal Income Tax Considerations

Residents of Canada. Generally, a shareholder who is a resident of Canada for purposes of the *Income Tax Act* (the “ITA”) and who holds Common Shares as capital property will realize a capital gain (or a capital loss) equal to the amount by which the cash received by such Shareholder, net of any reasonable costs of disposition, exceeds (or is less than) the adjusted cost base to the Shareholder of such Common Shares.

Non-Residents of Canada. Generally, a shareholder who is not a resident of Canada for purposes of the ITA and whose Common Shares are exchanged for cash under the Arrangement will not be subject to tax under the ITA on any capital gain realized on such exchange.

The foregoing is a brief summary of Canadian federal income tax consequences only. Shareholders should read carefully the information in the Circular under “Certain Canadian Federal Income Tax Considerations”, which qualifies the summary set forth above. Shareholders are urged to consult their own tax advisers to determine the particular tax consequences to them of the Arrangement.

The Companies

Stratos is a reporting issuer (or equivalent) in each Province of Canada. The Stratos Common Shares trade on the TSX under the symbol “SGB”. Stratos is the leading global provider of advanced mobile and fixed-site remote communications solutions for users operating beyond the reach of traditional networks.

CIP is a professional investment company incorporated in 2006. The directors of CIP collectively have more than 50 years of experience as directors of, and advisers to, satellite services companies in both the mobile satellite and fixed satellite services sectors. CIP Acquireco is an indirect wholly-owned subsidiary of CIP.

Risk Factors

There are risks associated with the completion of the Arrangement.

Some of these risks include: (i) the Arrangement Agreement may be terminated in certain circumstances, in which case the market price for Stratos Common Shares may be adversely affected; (ii) the funds required by CIP Acquireco to complete the Arrangement may not be available under the financing arrangement with Inmarsat Finance; (iii) the closing of the Arrangement is conditional on, among other things, the receipt of the Regulatory Approvals that could prevent or delay completion of the Arrangement or impose conditions on the companies that could adversely affect the business or financial condition of Stratos; (iv) one or more of Inmarsat Global’s distribution partners may challenge the Arrangement as a breach of the CFA and/or other distribution agreement(s); and (v) if CIP Limited or CIP Acquireco breach their obligations under the Arrangement Agreement, the effectiveness of any Stratos remedy may be limited.

See “Risk Factors” in this Circular.

Additional Matters to be Acted upon at Meeting

Recognizing in part that the closing of the Arrangement is expected to occur later in the third quarter of 2007, it was determined that the annual business to be considered by shareholders of a CBCA public company should be placed before the Shareholders at the Meeting. Accordingly, Shareholders will be asked to vote to elect directors of Stratos at the Meeting, each such director to hold office until the next annual meeting of the Shareholders or until the successor of such director is duly elected or appointed, unless such office is earlier vacated. Shareholders are permitted to vote for the slate of director nominees set out and discussed in the Circular, or, alternatively, to withhold their vote from individual nominees.

In addition, Shareholders will be asked to vote to re-appoint Stratos' auditors and authorize the Board of Directors to fix their remuneration. The Board of Directors of Stratos has proposed, following the recommendations of the Audit Committee of the Board of Directors, that Ernst & Young LLP be re-appointed as auditors of Stratos to hold office until the next annual meeting of the Shareholders or until a successor is appointed, at a remuneration to be fixed by the Board of Directors.

STRATOS GLOBAL CORPORATION

Management Proxy Circular for the Annual and Special Meeting of Shareholders

Solicitation of Proxies

This management proxy circular (the “Circular”) is furnished in connection with the solicitation by the management of Stratos Global Corporation (“Stratos” or the “Corporation”) of proxies to be used at Stratos’ Annual and Special Meeting of Shareholders to be held on June 12, 2007 or at any adjournment thereof (the “Meeting”). It is expected that the solicitation will be primarily by mail, but proxies may also be solicited personally, by advertisement or by telephone, by regular employees of Stratos without special compensation, or by Stratos’ proxy solicitation agent, Georgeson Shareholder Communications Canada Inc. (“Georgeson”). Georgeson’s fees for proxy solicitation, assuming the approval of the Arrangement Resolution by Shareholders, are approximately C\$70,000, plus expenses, in the aggregate. In addition, under the Arrangement Agreement, CIP Limited and CIP Acquireco have been authorized by Stratos to solicit proxies on behalf of management of Stratos in favour of the Arrangement Resolution.

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are directors of Stratos. **A shareholder wishing to appoint some other person (who need not be a shareholder of Stratos) to attend and act on such shareholder’s behalf at the Meeting may do so by inserting the name of such person in the blank space provided in the form of proxy or by completing another proper form of proxy.**

In the case of Registered Shareholders, the completed, dated and signed form of proxy should be sent in the enclosed envelope or otherwise to the Corporate Secretary of Stratos, c/o Computershare Investor Services Inc., Proxy Department, 100 University Avenue, Toronto, Ontario, M5J 2Y1, toll free fax number in North America +1 (866) 249-7775 or international fax number +1 (416) 263-9524, or to the Corporate Secretary of Stratos at Stratos’ registered office, 34 Harvey Road, St. John’s, Newfoundland and Labrador, A1C 2G1, fax number +1 (709) 724-5315. To be effective, a proxy must be received by the Proxy Department of Computershare Investor Services Inc. or the Corporate Secretary of Stratos not later than June 8, 2007 at 2:00 p.m. (Toronto time), or in the case of any adjournment of the Meeting, not less than 48 hours (Saturdays, Sundays and holidays excepted) prior to the time of the adjournment, in each case unless such time limit for deposit of proxies is waived by the Board of Directors. Non-Registered Shareholders who receive these materials through their broker or other intermediary should complete and send the form of proxy in accordance with the instructions provided by their broker or other intermediary.

A shareholder who has given a proxy may revoke it by depositing an instrument in writing signed by the shareholder or by such shareholder’s attorney, who is authorized in writing, or by transmitting by telephonic or electronic means a revocation signed by electronic signature by the shareholder or by the shareholder’s attorney, who is authorized in writing, to the registered office of Stratos or to the attention of the Proxy Department of Computershare Investor Services Inc. at any time up to and including the last business day preceding the day of the Meeting or by depositing such instrument at the Meeting with the Corporate Secretary of Stratos or the Chair of the Meeting prior to the start of the Meeting. A shareholder may also revoke a proxy in any other manner permitted by law.

Voting of Proxies

On any ballot that may be called for, Common Shares represented by a properly executed proxy in favour of the person designated by management of Stratos in the enclosed form of proxy will be voted for or against the Arrangement Resolution, or voted or withheld from voting, in accordance with the instructions given on the proxy. **If no choice is specified in the proxy, the person designated by management of Stratos in the accompanying form of proxy will vote in favour of all matters to be acted upon as set out in this Circular and in favour of all other matters proposed by management at the Meeting.**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the accompanying notice of Annual and Special Meeting of Shareholders (the “Notice of Meeting”) and with respect to other matters which may properly come before the Meeting or any adjournment thereof. As of the date of this Circular, management of Stratos is not aware of any such amendment, variation or other matter to come before the Meeting. However, if any amendments or variations to matters identified in the accompanying Notice of Meeting or any other matters which are not now known to management should properly come before the Meeting, or any adjournment thereof, the Common Shares

represented by properly executed proxies given in favour of management nominees will be voted on such matters pursuant to such discretionary authority.

Voting Shares and Record Date

As at April 30, 2007, there were 41,998,207 Common Shares outstanding, each carrying the right to one vote per Common Share.

The Board of Directors of Stratos (the “Board of Directors”) has fixed May 1, 2007 as the record date for the purpose of determining Shareholders entitled to receive notice of the Meeting. Any Shareholder of record at the close of business on the record date is entitled to vote the Common Shares registered in such Shareholder’s name at that date.

Principal Shareholder

As at April 30, 2007, to the knowledge of the officers and directors of Stratos, no person beneficially owns or exercises control or direction over more than 10% of the outstanding Common Shares except as stated below.

Name	Aggregate Number of Common Shares	Percentage of Outstanding Common Shares
Howson Tattersall Investment Counsel Limited ⁽¹⁾	4,934,889	11.8%
AGF Funds Inc. ⁽¹⁾	4,616,900	10.53%

Note:

- (1) Each of Howson Tattersall Investment Counsel Limited and AGF Funds Inc. has reported on SEDAR that one or more of their respective mutual fund, pension fund or other client accounts held in aggregate the number of Common Shares listed above. The foregoing information has been obtained exclusively from filings made by the foregoing entities on www.sedar.com and has not been independently verified by Stratos.

THE ARRANGEMENT

The Arrangement is under section 192 of the CBCA and will be carried out pursuant to the Arrangement Agreement, the Plan of Arrangement and Letter Agreement and related documents.

Required Shareholder Approval

At the Meeting, Shareholders will be asked to vote to approve the Arrangement Resolution. The approval of the Arrangement Resolution will require the affirmative vote of at least two-thirds of the votes cast by holders of outstanding Common Shares present in person or represented by proxy at the Meeting. The Arrangement Resolution must be passed by the requisite majority in order for Stratos to seek the Final Order and implement the Arrangement on the Effective Date in accordance with the Final Order. Notwithstanding the approval by Shareholders of the Arrangement Resolution, Stratos reserves the right not to proceed with the Arrangement in accordance with the terms of the Arrangement Agreement.

The complete text of the Arrangement Resolution to be presented to the Meeting is set forth in Appendix “A” to this Circular. The complete text of the Plan of Arrangement is set forth in Appendix “B” to this Circular.

Court Approval of the Arrangement

An arrangement under the CBCA requires Court approval. Prior to the mailing of this Circular, Stratos obtained the Interim Order, which provides for the calling and holding of the Meeting, the Dissent Rights and other procedural matters. A copy of the Interim Order is attached as Appendix “C” to this Circular.

Subject to approval of the Arrangement Resolution by Shareholders at the Meeting, the hearing in respect of the Final Order is currently scheduled to take place on June 19, 2007 at 10:00 a.m. (Toronto time) in the Ontario Court of Justice. Any Stratos securityholder or other person who wishes to appear, or to be represented, and to present evidence or arguments must serve and file a notice of appearance (a “Notice of Appearance”) as set out in the Notice of Application for the Final Order and satisfy any other requirements of the Court. The Court will consider, among other things, the fairness and reasonableness of the Arrangement. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with any terms and conditions, if any, as the Court deems fit. In the event that the hearing is postponed, adjourned or rescheduled then, subject to further order of the Court, only those persons having previously served a Notice of Appearance in compliance with the

Notice of Application and the Interim Order will be given notice of the postponement, adjournment or rescheduled date. A copy of the Notice of Application is attached as Appendix "D" to this Circular.

Assuming the Final Order is granted and the other conditions to closing contained in the Arrangement Agreement are satisfied or waived to the extent legally permissible, then Articles of Arrangement will be filed with the Director to give effect to the Arrangement.

Background to the Arrangement

Evolution of relationship among Inmarsat plc and its principal distributors in 2006 and early 2007

There was significant change in the mobile satellite services industry served by Inmarsat Global and its principal distributors in 2006 and early 2007, as well as an evolution of the relationship among Inmarsat Global and its principal distributors.

On February 14, 2006, Stratos acquired Xantic B.V. ("Xantic") of the Netherlands. Upon the completion of the Xantic acquisition, on a pro forma basis, Stratos' revenue derived from the distribution of Inmarsat services would have accounted for approximately 45% of Inmarsat plc's mobile satellite remote telecommunications revenues in 2005, thereby making Stratos the largest distributor of Inmarsat services. In addition, the Xantic acquisition provided Stratos with expected annual synergies of US\$6 to US\$7 million through lower costs of goods and services resulting from greater volume-based price discounts for satellite air time under Stratos' existing distribution agreements with Inmarsat Global.

Also in 2006, France Telecom initiated a process to sell France Telecom Mobile Satellite Communications ("FTMSC"), which culminated in a July 2006 announcement that investment funds managed by Apax Partners S.A. of France ("Apax France"), a private equity firm, had agreed to acquire 100% of the outstanding shares of FTMSC. Further, Telenor ASA of Norway began a process in early 2006 regarding the possible sale of Telenor Satellite Services ("TSS"). On October 26, 2006, Apax France announced an agreement to acquire TSS, following which Apax France, together with FTMSC, would have responsibility for distribution of approximately 40% of all Inmarsat services, and therefore increased volume-based discounts for Apax France from Inmarsat plc pursuant to the existing distribution agreements.

Against this backdrop of horizontal consolidation among the leading distribution partners, Inmarsat plc made its intentions known with respect to the CFA, set to expire on April 15, 2009, and the general changes that Inmarsat plc expects in any new distribution agreement to be entered into with Stratos and Inmarsat Global's other distribution partners. The existing CFA was entered into in 2004, at a time when Stratos and the other land earth station operators (including TSS and FTMSC) were shareholders of Inmarsat plc. Inmarsat plc was in the process of being privatized in 2004, and the land earth station operators collectively had significant leverage as shareholders of Inmarsat plc to obtain favourable commercial terms in the renewal of the CFA (including the exclusive nature of the distribution structure and the volume discount arrangements for pricing of Inmarsat services). In 2005, Inmarsat plc was privatized and now operates as an independent, publicly-traded company.

In late 2006, Inmarsat plc advised all distribution partners of its view that specific provisions in the CFA were not reflective of more commercially standard distribution agreements and that, as a result, a renegotiation of the CFA and related agreements would be initiated by Inmarsat plc with all distribution partners by mid-to-late 2008, in advance of the April 15, 2009 CFA termination.

In early 2007, Inmarsat plc filed a formal objection with the U.S. Federal Communications Commission in Washington, D.C. raising concerns about the proposed transaction whereby Apax France would acquire TSS. In its FCC filing, Inmarsat plc specifically cited the "anachronistic distribution scheme" under the CFA as being problematic. Inmarsat plc also reiterated its concerns regarding the volume discount arrangements which rewarded the consolidation of existing distributors with larger sales of Inmarsat services.

In public statements, Inmarsat plc confirmed that the volume discount arrangement, which Inmarsat plc believed had been encouraging consolidation within the industry but not necessarily stimulating growth in use of Inmarsat plc's existing services or the development of new ones, would be revised or eliminated in any renegotiation of the CFA (which could have a significant impact on Stratos' future earnings, given that Stratos received US\$22.4 million of volume discounts from Inmarsat plc in 2006). Further, Inmarsat plc publicly indicated its view that the new CFA should not contractually restrict Inmarsat plc from selling directly to major customers, rather than selling through its distribution partners, and that the current distinctions between Inmarsat Global distribution partners and service providers should be reduced. Thus, with such restrictions reduced or eliminated, Inmarsat plc would be in a position after April 14, 2009 to compete directly with Stratos and the other distribution partners for its end-user

base, and, in particular, large customers such as those in the government and military sectors of which Stratos has a disproportionately large share.

In summary, Inmarsat plc's actions and comments regarding the termination of the CFA in 2009 and Inmarsat plc's expectation of a new "commercially standard" distribution agreement after 2009 raised serious considerations for participants in the industry whose business was significantly geared to reselling Inmarsat services as to their commercial prospects subsequent to 2009.

Background to the Transaction

On May 18, 2006 Andrew Sukawaty, Chairman and Chief Executive Officer of Inmarsat plc, Rupert Pearce, General Counsel of Inmarsat plc, Perry Melton, Vice-President, Sales and Marketing of Inmarsat plc, and Inmarsat plc's financial advisers visited Stratos in Bethesda, Maryland. The Inmarsat plc representatives met with Jim Parm (President and Chief Executive Officer), Al Giammarino (Executive Vice-President and Chief Financial Officer), Richard Harris (Chief Legal Officer) and David Oake (Executive Vice President, Corporate Development) of Stratos to discuss a possible transaction in the context of TSS being put up for auction. These initial talks amongst the parties contemplated a possible trilateral transaction involving Inmarsat plc, Stratos and TSS (a transaction that would have permitted amendment of Inmarsat Global's distribution agreements because Stratos and TSS at the relevant time together accounted for more than two thirds of Inmarsat plc's airtime revenues).

Following the meetings, on May 25, 2006, Stratos engaged RBC Capital Markets as financial adviser to provide financial analysis and advice on structuring, planning and negotiating strategic alternatives related to a possible transaction involving Inmarsat plc and TSS.

On July 7, 2006, Stratos signed a confidentiality agreement with TSS in order to initiate due diligence of the business. At a July 26, 2006 Board of Directors meeting, the Board of Directors considered a number of strategic alternatives for Stratos, including (i) a vertical consolidation involving a trilateral transaction among Inmarsat plc, Stratos and TSS, (ii) the acquisition by Stratos of TSS (or only TSS's mobile satellite services business), or (iii) the acquisition of the fixed satellite services business of TSS. Financing alternatives for the three options were also considered by the Board of Directors. The Board of Directors resolved at that time to directly enter into the TSS auction process and to also continue discussions with Inmarsat plc regarding a possible trilateral transaction involving Stratos, Inmarsat plc and TSS.

During the period of July to September 2006, Stratos participated in the TSS auction process and continued discussions with Inmarsat plc regarding a possible trilateral transaction leading to a vertical consolidation. However, Stratos was unsuccessful in progressing a possible transaction directly with Telenor ASA of Norway. As noted below, while discussions with Inmarsat plc for a trilateral arrangement continued, Stratos and Inmarsat plc were unable to develop or consummate any such transaction.

During September 2006, discussions progressed regarding a possible trilateral deal involving Inmarsat plc's acquisition of both Stratos and TSS.

On September 22, 2006, the Board of Directors was briefed by management on the current state of discussions with respect to a possible transaction involving Inmarsat plc and other strategic alternatives, including consideration of other potential buyers for Stratos. At that meeting, the Board established an independent committee (the "Special Committee") of the Stratos Board of Directors consisting of: Michael Bayer (Chair), Charles Bissegger, Robert Walmsley and Frank Salizzoni.

At the Special Committee's first meeting on October 3, 2006, the Committee was provided with an overview of its general legal obligations by Blake, Cassels and Graydon LLP, counsel to the Corporation. At the meeting, RBC Capital Markets provided an overview of the Corporation's recent trading performance and of the Corporation's financial metrics. At the request of the Chairman of the Special Committee, Bear Stearns attended the meeting and provided an overview of their work in the mobile satellite industry and discussed with the Special Committee recent trends in the industry as well as certain key factors that would impact the company going forward. At the meeting, the Special Committee resolved to retain Bear Stearns as financial adviser to the Special Committee.

On October 11, 2006, Bear Stearns (on behalf of the Special Committee) initiated discussions with Inmarsat plc regarding a possible transaction involving Inmarsat plc. The terms of a confidentiality agreement between the parties with appropriate "standstill" provisions were also reviewed and discussed.

On October 12, 2006, Stratos and Inmarsat plc executed a mutual confidentiality agreement related to a potential transaction involving Inmarsat plc, Stratos and TSS. As part of the confidentiality agreement, Inmarsat plc

was required to provide a proposed valuation of Stratos within a 30-day period. As noted above, on October 26, 2006, Apax France announced that it had reached agreement to buy TSS.

On October 18, 2006, at a conference in London, Mr. Sukawaty approached Mr. Parm about a possible bilateral transaction whereby Inmarsat plc would finance an independent third party's acquisition of Stratos in return for a call option to later acquire Stratos exercisable by Inmarsat plc after April 14, 2009 (the date of expiry of the CFA).

On October 23, 2006, the Special Committee met with Bear Stearns and legal advisers and members of Stratos management to review the progress of a possible transaction involving Inmarsat plc, the rationale for an acquisition financed by Inmarsat plc, other potential buyers for Stratos, an overview of the 2007-2008 projections requested by Inmarsat plc for its due diligence purposes and developed by management, and a preliminary overview of longer-term business forecasts made by management to illustrate possible scenarios from 2009-2011, depending on the outcome of any renegotiation of the CFA and related agreements between Inmarsat plc and Stratos. The Special Committee and the Board of Directors considered various earnings and cash flow scenarios subsequent to the renegotiation of the CFA and related distribution agreements. These scenarios were based on the assumption that subsequent to April 2009, Inmarsat plc would be in a position to compete directly with Stratos for its end-user customer base and, accordingly, Stratos could lose a portion of its Inmarsat plc-related MSS revenue over the 2009-2011 period. The scenarios covered a range of possibilities relative to the magnitude of the loss of revenues to Inmarsat plc, all the way from little or no loss (Scenarios A and B, with Scenario A assuming more growth in the underlying market for MSS services), through other cases which illustrated erosion of Inmarsat plc-related revenues (Scenarios C and D, with Scenario C assuming a gradual loss of major account customers to Inmarsat plc and Scenario D a more rapid one). The spectrum of outcomes illustrated by Scenarios B and C was considered to be more likely than the scenarios at the extremes. The Board of Directors reviewed, with the assistance of Bear Stearns, the associated financial implications and sensitivity analysis of these various scenarios.

During the period of October 2006 to January 2007, Inmarsat plc and Stratos developed and refined a transaction structure whereby an independent entity would offer to acquire Stratos, but with the voting rights attached to the Common Shares to be exercised by an independent third party trustee pursuant to the terms of a trust agreement. Under the structure, Inmarsat Finance would provide the financing to the independent acquirer to purchase the Common Shares. It was also agreed that the structure of the transaction would be referred to a Queen's Counsel in the United Kingdom to obtain his advice on the structure and to receive his views on how to ensure the structure fully complied with the terms of the CFA and related agreements (which are governed by UK law).

On November 21, 2006, a meeting took place in Washington, D.C. at which management of Stratos made a presentation regarding the Corporation's business to senior representatives of Inmarsat plc and its financial advisers. At the end of the meeting, Inmarsat plc indicated that it wished to proceed with additional due diligence to be in a position to submit a non-binding indication of interest to participate in a transaction involving the acquisition of Stratos by a third party and to provide the preliminary indication of value as contemplated by the confidentiality agreement.

On November 27, 2006, the Special Committee met with Bear Stearns and its legal advisers and members of management to review and assess trading patterns in Stratos stock and how Stratos was valued in the equity markets, and how that valuation might change over time depending on the long-term outlook for the Corporation, particularly from April 2009.

On December 21, 2006 (following a meeting of the Board of Directors on December 15, 2006, at which the Special Committee provided an update on the status of the transaction), the Special Committee met with Bear Stearns and its legal advisers and members of management to review the status of discussions with Inmarsat plc on potential transaction structures in advance of an indication of interest expected to be received in early January (as contemplated by the confidentiality agreement).

CIP submitted a formal proposal dated December 27, 2006 to Inmarsat plc reflecting CIP's prior discussions and the preliminary terms under which it sought financing from Inmarsat plc or an affiliate thereof to pursue acquisitions by CIP or an affiliate of distributors in the satellite services sector. Stratos was specifically identified by CIP as a logical acquisition target, with funding provided by Inmarsat plc or an affiliate of Inmarsat plc. Stratos has been advised by Inmarsat plc that, between September and December 2006, Inmarsat plc investigated the potential for a third party investor to work with Inmarsat plc on the acquisition of Stratos. During this period, Inmarsat plc received a number of proposals, including the proposal from CIP mentioned above. By the end of 2006, Inmarsat plc had decided to work on an exclusive basis with CIP to structure and develop an acquisition proposal for Stratos.

On January 4, 2007, Messrs. Sukawaty and Pearce, together with Rick Medlock, Chief Financial Officer of Inmarsat plc, met with Charles Bissegger, Chairman of the Board of Directors, and Jim Parm in Washington, D.C., and presented a preliminary indication of interest to offer to finance the acquisition by the acquirer of Stratos at a price of C\$5.75 per share. The indication of interest was non-binding, and subject to various conditions, including a period of exclusivity during which Inmarsat plc and the acquirer would complete due diligence and the parties would finalize the transaction structure and negotiate definitive agreements. On January 5, 2007, Bear Stearns and the Special Committee's legal advisers met with representatives of Inmarsat plc to clarify elements of the indication of interest. Inmarsat plc advised Stratos that CIP, a company founded by a group of professionals with extensive experience in the satellite communications industry, was the independent party that had approached Inmarsat plc with the proposal to acquire a satellite services operator with financing provided by Inmarsat plc or an affiliate of Inmarsat plc.

Following a January 6, 2007 Special Committee briefing meeting regarding CIP and Inmarsat plc's proposal, on January 10, 2007, the Special Committee met with Bear Stearns to undertake a more detailed review of the proposal, which involved an evaluation by Bear Stearns (following input from the Corporation's management) of other strategic alternatives available to the Corporation, including a review of other potential buyers for Stratos. The Special Committee determined that Inmarsat plc (together with CIP) should be allowed to continue due diligence on Stratos and that the parties should continue to work to develop a suitable transaction structure for the acquisition, but that Stratos should not enter into an exclusivity arrangement at that time. The Board of Directors received an update on the transaction at meeting held on January 22, 2007.

Following continued discussions between the parties which resulted in a transaction structure that was, in principle, acceptable to each of Stratos, CIP and Inmarsat plc, on January 26, 2007, Bear Stearns met with representatives of Inmarsat plc and its financial advisers in London to discuss the terms proposed by Inmarsat plc on January 4, 2007. Bear Stearns advised Inmarsat plc that the Special Committee would not support a sale price of C\$5.75 per share. Inmarsat plc indicated that Inmarsat Finance would be willing to finance an increased CIP offer of C\$6.20 per share, and that a period of exclusivity would be required for Inmarsat plc to continue with due diligence and negotiate definitive agreements. On January 27, 2007, the Special Committee met with Bear Stearns and its legal advisers and members of management to discuss the negotiations held on January 26, 2007. The Special Committee determined that it would be willing to continue discussions with Inmarsat plc regarding a possible transaction based on a price range of C\$6.20 to C\$6.50 per share. Bear Stearns communicated the price range to Inmarsat plc as a basis upon which the Special Committee was prepared to go forward. The Board of Directors reviewed and considered the status of discussions with Inmarsat plc at a meeting on January 30, 2007, following which, on January 31, 2007, Stratos and Inmarsat plc entered into a 30-day mutual exclusivity agreement.

On March 3, 2007, Stratos contacted RBC Capital Markets regarding the provision of a fairness opinion in connection with a transaction involving Stratos, CIP and Inmarsat plc.

Subsequent to the entering into of the mutual exclusivity agreement, Stratos, CIP and Inmarsat plc continued to develop the transaction structure following input from the Queen's Counsel on drafts of the definitive documentation giving effect to the transaction. On March 8 and 9, 2007, representatives and advisers of Stratos, CIP and Inmarsat plc met in Washington, D.C. with a view to finalizing the key terms and relevant documentation, including the Arrangement Agreement, Trust Agreement, Call Option Agreement, Letter Agreement and financing arrangements. During the mutual exclusivity period and thereafter, the Special Committee met on numerous occasions with Bear Stearns and the Special Committee's legal advisers, and members of management, to review status and to provide direction.

On March 15 and 16, Bear Stearns and representatives of Inmarsat plc had further discussions about the sale price, and on March 16, 2007, following the close of the markets in Canada, Inmarsat plc indicated that Inmarsat Finance would be willing to finance an offer by CIP at C\$6.30 per share.

The Special Committee met on March 17, 2007 to review the status of the transaction. At this meeting, Bear Stearns and RBC Capital Markets each indicated that it would be prepared to provide the Board of Directors with an opinion that C\$6.30 in cash per Common Share was fair, from a financial point of view, to Shareholders. Legal counsel to Stratos reviewed in detail the terms of the Arrangement Agreement and related Transaction Agreements, and other legal and regulatory matters, and members of the Special Committee were provided an opportunity to question the financial advisers, counsel and management on the definitive terms of these agreements. After discussion with its financial and legal advisers, the Special Committee determined that Bear Stearns should seek a further increase in the sale price, and following further discussions between Bear Stearns and Inmarsat plc, Inmarsat plc agreed that Inmarsat Finance would finance an increased CIP offer of C\$6.40 per share. Following this

increase, the Special Committee determined to recommend to the Board of Directors of Stratos that the Board approve the Arrangement.

On March 18, 2007, the Board of Directors of Stratos met to discuss the Arrangement Agreement and related Transaction Agreements. At this meeting, Bear Stearns and RBC Capital Markets each provided its fairness opinion that C\$6.40 in cash per Common Share is fair, from a financial point of view, to Shareholders. Legal counsel to Stratos reviewed in detail the terms of the Arrangement Agreement and related Transaction Agreements, and other legal and regulatory matters, and members of the Board of Directors were provided an opportunity to question the financial advisers, counsel and management on the definitive terms of these agreements. Following these discussions, the Board unanimously approved the Arrangement Agreement and related Transaction Agreements, subject to finalization of documentation. The Arrangement Agreement and related Transaction Agreements were entered into on the morning of March 19, 2007, immediately following which the transaction was announced in press releases issued by each of Stratos, CIP and Inmarsat plc.

Recommendation of the Special Committee

The Board of Directors established the Special Committee to evaluate strategic options for Stratos, including, among other things, reviewing and considering the proposed transaction involving Inmarsat plc. The Special Committee retained Bear Stearns and Stratos retained RBC Capital Markets as their respective financial advisers. Bear Stearns and RBC Capital Markets have provided opinions that, as of the date of such opinions, the offered consideration of C\$6.40 for each Common Share is fair, from a financial point of view, to Shareholders. The Special Committee, having taken into account such Bear Stearns and RBC Capital Markets opinions and such other matters as it considered relevant, unanimously determined that the offered consideration of C\$6.40 for each Common Share under the Arrangement is fair, from a financial point of view, to Shareholders and that the Arrangement is in the best interests of Stratos. The Special Committee unanimously recommended that the Board of Directors approve the Arrangement and recommend that Shareholders vote for the Arrangement Resolution.

Recommendation of the Board of Directors

After careful consideration, the Board of Directors unanimously determined that the offered consideration of C\$6.40 each Common Share under the Arrangement is fair, from a financial point of view, to Shareholders and that the Arrangement is in the best interests of Stratos. Mr. Parm, President and Chief Executive Officer of the Corporation, recused himself from consideration of the Board resolution approving the Arrangement to avoid any perceived conflict of interest arising from his being a member of management of the Corporation. **The Board of Directors unanimously recommends that Shareholders vote FOR the Arrangement Resolution.**

Reasons for Recommending the Arrangement

In the course of its evaluation of the Arrangement, the Special Committee gave careful consideration to: the position of the Corporation; the alternatives available to the Corporation; and all elements of the Arrangement. The Special Committee and the Board of Directors consulted with Stratos' senior management, legal counsel and financial advisers and considered a number of factors including, among others, the following:

Terms of Arrangement with CIP

Premium to the Shareholders. The Arrangement represents a premium to the average historical trading price of the Common Shares. In particular, the offer represents a premium of 7 percent compared with the closing price of Stratos shares on March 8, 2007, the last trading day before an article appeared in *The Globe and Mail* suggesting the possibility of a sale of Stratos, a premium of 15 percent compared with the most recent 1-month average trading price through March 8, 2007 and a premium of 25 percent compared with the 3-month average trading price through that date.

Benefits of a Cash Deal. The Arrangement consideration is all cash, providing certainty of value to the Shareholders.

Adequate Financing Arrangements. The Arrangement Agreement is not subject to a financing condition in favour of CIP Acquireco. The Commitment Letter in respect of the financing by Inmarsat Finance of CIP's indirect purchase of the Common Shares, together with Inmarsat plc's covenants to Stratos in the Letter Agreement, provide a high degree of certainty that CIP Acquireco will have the necessary funds to implement the Arrangement.

Fairness Opinions. The opinions of each of Bear Stearns and RBC Capital Markets to the effect that, as of the date thereof, and subject to the analyses, assumptions, qualifications and limitations set forth therein, the offered consideration of C\$6.40 per Common Share pursuant to the Arrangement is fair, from a financial point of view, to the Shareholders.

Arrangement Agreement Terms are Fair. The terms of the Arrangement Agreement are fair to Stratos and the Shareholders.

Comprehensive Negotiation Process. The Arrangement resulted from a comprehensive negotiation process with respect to the key elements of the Arrangement that was undertaken at the direction of the Special Committee that has been managed by the advisers, under the leadership of Bear Stearns and with the assistance of internal and external counsel. The Special Committee was fully informed on a timely basis of all elements of the negotiation and participated directly in each material decision. The Board of Directors was informed periodically and as appropriate of the material elements of the negotiation process.

Strategic Considerations

Pending Expiration of CFA and Distribution Agreements. The Arrangement provides Stratos with an effective and appropriate resolution to the significant challenges that likely will arise in April 2009 following the expiration of the CFA and other distribution agreements with Inmarsat Global and its affiliates. Inmarsat plc has publicly stated that the CFA will not be extended beyond April 2009, that the current volume discount schemes will not continue in their current form, that Inmarsat plc will directly sell to certain high value customers, and that the distinction between distribution partners and service providers will be reduced. As a result, after April 14, 2009, Stratos expects that Inmarsat plc will likely compete with Stratos for certain customers, particularly in the government and military segment (of which Stratos has a disproportionately large share), and that margins for distribution of Inmarsat services may decrease as the distinction between distribution partners and service providers is eroded. Further, the elimination or substantial modification of the volume discount arrangements could have a significant and immediate impact on Stratos' earnings through increased costs (for reference, Stratos' total volume discounts from Inmarsat plc in fiscal 2006 were US\$22.4 million, representing approximately 30% of Stratos' combined segment earnings in 2006).

Certainty of Deal Completion. The transaction structure was refined with advice from a Queen's Counsel in the United Kingdom, jointly instructed by Stratos, CIP and Inmarsat plc. The Queen's Counsel specifically considered the structure's compliance with the CFA and Inmarsat Global's existing distribution agreements (which are governed by UK law). Furthermore, the conditions to the completion of the Arrangement are limited.

Alternative Transaction by CIP with other Distribution Partners. The structure of the transaction, whereby an independent third party such as CIP completes an acquisition with similar financing provided by Inmarsat Finance, could be pursued by CIP or others with another distribution partner if Stratos did not pursue the Arrangement. Separately, Inmarsat plc could acquire another distribution partner directly after 2009, which would be expected to have a significant adverse impact on Stratos.

Loss of Subsequent Arbitration Proceeding Against Inmarsat Global. In February 2007, following an arbitration hearing, an independent arbitrator ruled that Inmarsat Global was permitted to appoint a proposed new distribution partner to distribute Inmarsat BGAN Services. As a result of this ruling, Inmarsat Global may be able to appoint other "qualified" affiliate entities of existing service providers to distribute Inmarsat BGAN Services in direct competition with Stratos.

Reasonable Terms of Arrangement

Deal Protections Not Onerous. The deal protection provisions in the Arrangement Agreement are reasonable in the circumstances and do not preclude other offers for Stratos.

Competing Bids Are Not Impeded. Under the Arrangement Agreement, the Board of Directors remains able to respond to unsolicited proposals that are more favourable or could reasonably be expected to be more favourable to the Shareholders than the Arrangement. Further, the Meeting has been scheduled such that there is ample time from the March 19, 2007 announcement date for an interested third party offeror to come forward with a superior offer.

Court Approval. The Arrangement must be approved by the Ontario Superior Court of Justice, which will consider, among other matters, the fairness of the Arrangement to Shareholders.

Approval Threshold. The Board of Directors considered the required approvals to be protective of the rights of the Shareholders. The Arrangement Resolution must be approved by two-thirds of the votes cast by the Shareholders at the Meeting. This condition permits the Shareholders, instead of the Special Committee or the Board of Directors, to ultimately determine whether the Arrangement proceeds.

Availability of Dissent Rights. Shareholders who oppose the Arrangement Resolution may, upon compliance with certain conditions, exercise Dissent Rights under the CBCA and receive fair value for their Common Shares as determined by a court.

The foregoing summary of the information and factors considered by the Special Committee and the Board of Directors is not, and is not intended to be, exhaustive. In view of the variety of factors and the amount of information considered in connection with its evaluation of the Arrangement, the Special Committee and the Board of Directors did not find it practical to, and did not, quantify or otherwise attempt to assign any relative weight to each specific factor considered in reaching its conclusion and recommendation. The Special Committee's and the Board of Directors' recommendations were made after consideration of all of the above-noted factors and in light of the Special Committee's and the Board of Directors' collective knowledge of the business, financial condition and prospects of Stratos, and were also based upon the advice of financial advisers and legal counsel to the Special Committee and the Board of Directors. In addition, individual members of the Special Committee and the Board of Directors may have assigned different weights to different factors.

Fairness Opinions of Bear Stearns and RBC Capital Markets

Bear Stearns was retained to act as financial adviser to the Special Committee and, if requested, to provide a fairness opinion to the Special Committee and the Board of Directors with respect to a potential sale of Stratos. RBC Capital Markets was retained to act as financial adviser to Stratos, and if requested, to provide a fairness opinion to the Special Committee and the Board of Directors with respect to a potential sale of Stratos.

At the meetings held on March 17, 2007, Bear Stearns and RBC Capital Markets made presentations to the Special Committee and each indicated to the Special Committee that, based upon certain analyses, and subject to various assumptions, qualifications and limitations, it would be prepared to provide the Board of Directors with an opinion that the consideration of C\$6.30 in cash per Common Share then offered was fair, from a financial point of view, to the Shareholders. Bear Stearns and RBC Capital Markets made similar presentations to the Board of Directors on March 18, 2007, and delivered oral opinions that, based upon and subject to the assumptions, qualifications and limitations set forth in the written opinions which were subsequently delivered, the consideration of C\$6.40 in cash per Common Share pursuant to the Arrangement was fair, from a financial point of view, to the Shareholders.

The full text of the Fairness Opinions which set forth, among other things, the assumptions made, information reviewed and matters considered by Bear Stearns and RBC Capital Markets in rendering their Fairness Opinions, as well as the limitations to which the opinions are subject, are attached as Appendices "E" and "F" to this Circular. Shareholders are urged to read the Fairness Opinions in their entirety. The summary of the opinions contained in this Circular are qualified in their entirety by reference to the full text of such opinions.

The Fairness Opinions were provided for the use of the Special Committee and the Board of Directors only and may not be relied upon by any other person. Such opinions did not constitute a recommendation to the Board of Directors to approve the execution of the Arrangement Agreement and do not constitute a recommendation to any Shareholder as to how such Shareholder should vote on the proposed Arrangement Resolution or any matter related thereto. The Fairness Opinions did not address Stratos' underlying business decision to pursue the Arrangement, the relative merits of the Arrangement as compared to any alternative business strategies that might exist for Stratos, the financing of the Arrangement or the effects of any other transaction in which Stratos might engage. The Fairness Opinions were just two of the many factors taken into consideration by the Special Committee and the Board of Directors in arriving at their respective recommendations. Consequently, Bear Stearns' and RBC Capital Markets' analysis should not be viewed as determinative of the decision of Stratos' Board of Directors with respect to the fairness of the consideration to be received, from a financial point of view, by the holders of the Common Shares.

The Fairness Opinions were rendered on the basis of the securities market, economic and general business and financial conditions prevailing as at the date thereof and on information relating to the subject matter thereof as represented to Bear Stearns and RBC Capital Markets. As set forth in the Fairness Opinions, each of Bear Stearns and RBC Capital Markets' has, subject to the exercise of its professional judgement, relied upon, and assumed the completeness, accuracy and fair presentation of, all financial and other information, data, advice, opinions and representations obtained by it from public sources or provided to it and has not attempted to independently verify the accuracy or completeness of such information. The Fairness Opinions assume, and are conditional upon, such completeness, accuracy and fair presentation. Bear Stearns and RBC Capital Markets were not asked to prepare, and have not prepared, a formal valuation of Stratos.

Pursuant to agreements with Bear Stearns and RBC Capital Markets, Stratos has agreed to pay fees to each of Bear Stearns and RBC Capital Markets in respect of each firm's Fairness Opinion and financial assessment and services relating to the Arrangement, a portion of which is contingent on consummation of the Arrangement. Bear Stearns and RBC Capital Markets are also entitled to be reimbursed for certain reasonable out-of-pocket expenses, whether or not the Arrangement is completed, respectively incurred by Bear Stearns and RBC Capital Markets in carrying out their obligations. Stratos has agreed to indemnify each of Bear Stearns and RBC Capital Markets and their respective personnel, subject to certain limitations, against certain losses, claims, causes of action, suits, proceedings, damages and liabilities arising out of the services provided by Bear Stearns and RBC Capital Markets, respectively, pursuant to their engagement by the Special Committee and Stratos, respectively. Bear Stearns and RBC Capital Markets are not associated or affiliated entities or issuer insiders (as defined in the *Securities Act* (Ontario) or the rules and policies promulgated thereunder) of Stratos, CIP, Inmarsat plc or any of their respective subsidiaries, associates or affiliates, and neither Bear Stearns, RBC Capital Markets nor their associated or affiliated entities have provided any financial advisory services or participated in any financings involving any such parties within the past two years except as described in the Fairness Opinions.

Bear Stearns and RBC Capital Markets act as traders and dealers, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of Stratos, CIP, Inmarsat plc or any of their respective associates or affiliates and, from time to time, may have executed or may execute transactions on behalf of such companies or clients for which they received or may receive compensation. As investment dealers, Bear Stearns and RBC Capital Markets conduct research on securities and may, in the ordinary course of its business, provide research reports and investment advice to clients on investment matters, including with respect to Stratos, CIP or Inmarsat plc. In February 2006, RBC Capital Markets acted as exclusive financial adviser to Stratos on its acquisition of Xantic B.V., as well as served as lead manager for the financing of the Xantic B.V. transaction

Notwithstanding any of the relationships or fee arrangements described herein, each of Bear Stearns and RBC Capital Markets has represented to Stratos in their respective Fairness Opinions that it believes it is independent of Stratos, the CIP Group and Inmarsat plc.

Intentions of Stratos Directors and Officers

The directors and executive officers of Stratos, who collectively owned 62,825 Common Shares as of December 31, 2006, which represent 0.15% of the outstanding Common Shares, have indicated that they intend to vote in favour of the Arrangement Resolution.

Regulatory Matters

The Arrangement is conditional upon the receipt of all Regulatory Approvals on terms that are reasonably satisfactory to CIP, except where the failure to obtain such Regulatory Approvals would not reasonably be expected to impede, interfere with, prevent or materially delay the completion of the Arrangement and the transactions contemplated thereby or have a Material Adverse Effect on Stratos. See item 6.1(f) under "Mutual Conditions Precedent" in "The Arrangement Agreement", below.

Investment Canada Act Approval

Pursuant to the Investment Canada Act, significant investments in Canada by non-Canadians may be subject to review in order to ensure such investments are a net benefit to Canada. An investment is reviewable if there is an acquisition of control of a Canadian business by a non-Canadian and when certain monetary thresholds are met. A review by the Minister of Industry will be required to complete the Arrangement. Under the Investment Canada Act, the Minister of Industry must be satisfied, or deemed to have been satisfied, that the Arrangement is likely to be of net benefit to Canada, and shall provide a notice to that effect, before the Arrangement may be completed. The Minister has 45 days from the date an application for review is filed to determine whether or not the investment is of net benefit to Canada. The Minister can extend the 45-day review period unilaterally by an additional 30 days by sending a notice to the investor prior to the expiration of the initial 45-day period. The review period can be extended further with the consent of the investor.

The U.S. Federal Communications Commission ("FCC") Approval

The FCC is charged with regulating U.S. interstate and international telecommunications and the use of radio frequencies. Several Stratos subsidiaries hold FCC licenses and authorizations for such purposes.

Regulatory Approval from the FCC for the transfer of control or reissuance of the following types of licenses and authorizations held by Stratos subsidiaries will be required in order to complete the Arrangement: (a) authorizations under Title II of the U.S. *Communications Act of 1934*, as amended; (b) licenses under Title III of the U.S. *Communications Act of 1934*, as amended; and (c) accounting authority held by Stratos Mobile Networks, Inc. Application has been made to the FCC for such approval (the “FCC Applications”). The FCC will place the FCC Applications on public notice and allow interested parties to comment. The FCC will then determine whether the public interest, convenience and necessity would be served by granting the FCC Applications. In that context, the FCC also will examine the new non-U.S. ownership of Stratos after completion of the transaction for compliance with Section 310(b)(4) of the U.S. *Communications Act of 1934*, which permits indirect foreign ownership of FCC licensees in excess of 25% provided the FCC finds that such level of foreign ownership would serve the public interest. While there can be no assurance that such approvals will be granted on a timely basis, or on terms reasonably satisfactory to CIP, or at all, CIP and Stratos expect that the FCC approvals will be obtained on a reasonably satisfactory basis on or before the Termination Date.

Louisiana Public Service Commission (“LPSC”) Approval

Regulatory Approval from the LPSC for the transfer of control of the intrastate telecommunications service certification held by Stratos Offshore Services Company will be required to complete the Arrangement.

Review by the Committee on Foreign Investment in the United States (“CFIUS”)

CFIUS has jurisdiction to determine the effects on U.S. national security of acquisitions by foreign persons which could result in foreign control of companies engaged in interstate commerce in the United States. Foreign persons proposing to acquire a firm that operates in the United States may voluntarily notify CFIUS, but CFIUS also has jurisdiction to review transactions that are not voluntarily submitted. The CFIUS review process typically commences with the filing of a notification of the transaction. CFIUS then has 30 days to decide whether to commence an investigation. If an investigation is commenced, CFIUS has up to 45 additional days to complete its review and submit a report and recommendation to the President. The President then has up to an additional 15 days to decide whether to suspend or prohibit the transaction. The Arrangement Agreement provides that, prior to completion, a notice shall be filed with CFIUS; it further provides as a closing condition that the parties shall be advised that the CFIUS review has been concluded without further investigation, or that the time for taking such action by the CFIUS or the President has expired. The CFIUS review process has been the subject of recent Congressional scrutiny, and various aspects of the CFIUS process may be modified by future legislation.

The U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (“HSR”) Approval

In order to complete the Arrangement, an HSR notification may have to be filed with the Department of Justice (“DOJ”) and Federal Trade Commission (“FTC”). Upon the filing, a 30-day initial waiting period then ensues during which time the agencies will evaluate if the transaction may violate the antitrust laws. The agencies may, if asked, grant early termination of the waiting period, or it may allow the initial waiting period to expire, at which point the transaction may close. Alternatively, either agency may decide it needs to conduct a further investigation, and will issue a request for additional information (“Second Request”). The waiting period is then extended until 30 days after compliance with the Second Request is complete. The waiting period must expire or terminate prior to completion of the transaction.

The Federal Anti-Monopoly Service of the Russian Federation (“FAS”) Approval

The purchaser in a transaction is responsible for obtaining the approval of FAS, where required. The FAS process requires that the purchaser provide extensive information to FAS in support of its application, including information about the target company and its affiliates.

Once an application has been received and accepted by FAS, the general term for the consideration of applications is 30 days. However, this period may be extended by up to two months, during which period FAS is authorized to request additional documents and information from the applicant, if FAS has determined that the transaction may lead to the restriction of competition in the Russian market. In such cases, under Article 33.3 of the Law on the Defense of Competition (the “Competition Law”), FAS is required to place certain information about the transaction on its official website, and any interested person is entitled to submit information to FAS that such person believes is relevant to assess the impact of the transaction on competition.

In granting approval for a transaction, FAS may impose certain conditions designed to protect competition. As the Competition Law was only adopted in the fall of 2006 and contains a number of provisions different from the previous Russian competition statute, there is very limited practice to indicate how FAS may interpret and apply these provisions. Therefore, no assurance can be given as to what additional conditions may be imposed on the parties involved to the extent of their activities within the Russian Federation.

The New Zealand Overseas Investment Act 2005 ("OIA") Approval

Regulatory approval from the Overseas Investment Office, having regard to Stratos' direct or indirect ownership or control of sensitive land in New Zealand in terms of clause 10(1)(b) of the OIA will be required to complete the Arrangement. Pursuant to the OIA, a foreign investor must apply and obtain from the relevant Minister consent for overseas investments in or acquisition of sensitive land in New Zealand. The Minister will determine whether the foreign investment benefits or is likely to benefit New Zealand according to certain statutory factors.

The filing requirement is triggered only if the value of the transaction and, in some cases, the size of the parties, exceed certain dollar thresholds, which are adjusted over time. For the purpose of determining the "size of the parties" one assesses the size of the party to the transaction, its ultimate parent entity, and all subsidiaries of that ultimate parent entity.

Dissenting Shareholders' Rights

Section 190 of the CBCA provides registered shareholders of a corporation with the right to dissent from certain resolutions that effect extraordinary corporate transactions or fundamental corporate changes. The Interim Order expressly provides Registered Shareholders with the right to dissent from the Arrangement Resolution pursuant to section 190 of the CBCA, with modifications to the provisions of section 190 as provided in the Plan of Arrangement and the Interim Order ("Dissent Rights"). Any Registered Shareholder who dissents from the Arrangement Resolution in compliance with section 190 of the CBCA, as modified by the Plan of Arrangement and the Interim Order, will be deemed to transfer legal title to their shares to the Trustee and beneficial ownership to their shares to CIP Acquireco (as provided for in the Plan of Arrangement) and will, in the event the Arrangement becomes effective, have a debt claim against CIP Acquireco to be paid the fair value of the Common Shares held by such Dissenting Shareholder determined as of the close of business on the day before the Arrangement Resolution is adopted. Shareholders are cautioned that fair value could be determined to be less than the Cash Consideration.

Section 190 of the CBCA provides that a shareholder may only make a claim under that section with respect to all of the shares of a class held by the shareholder on behalf of any one beneficial owner and registered in the dissenting shareholder's name. **One consequence of this provision is that only a Registered Shareholder may exercise the Dissent Rights in respect of Common Shares that are registered in that Shareholder's name.**

In many cases, shares beneficially owned by a Non-Registered Holder are registered either: (a) in the name of an Intermediary, or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant. Accordingly, a Non-Registered Holder will not be entitled to exercise its Dissent Rights directly (unless the shares are re-registered in the Non-Registered Shareholder's name). A Non-Registered Holder who wishes to exercise Dissent Rights should immediately contact the Intermediary with whom the Non-Registered Holder deals in respect of its shares and either: (i) instruct the Intermediary to exercise the Dissent Rights on the Non-Registered Holder's behalf (which, if the Common Shares are registered in the name of The Canadian Depository for Securities Limited or other clearing agency, may require that such Common Shares first be re-registered in the name of the Intermediary), or (ii) instruct the Intermediary to re-register such Common Shares in the name of the Non-Registered Shareholder, in which case the Non-Registered Holder would be able to exercise the Dissent Rights directly.

A Registered Shareholder who wishes to dissent must provide a Dissent Notice to Stratos (a) at Stratos' registered office, 34 Harvey Road, St. John's, Newfoundland and Labrador, A1C 2G1 (Attention: Corporate Secretary), or (b) by facsimile transmission to +1 (709) 724-5315 (Attention: Corporate Secretary) to be received not later than 5:00 p.m. (Toronto time) on June 11, 2007, or, if the Meeting is adjourned or postponed, 5:00 p.m. (Toronto time) on the Business Day preceding the date of such adjourned or postponed Stratos Meeting. Failure to strictly comply with these dissent procedures may result in the loss or unavailability of the right to dissent.

The filing of a Dissent Notice does not deprive a Registered Shareholder of the right to vote at the Meeting. However, the CBCA provides, in effect, that a Registered Shareholder who has submitted a Dissent Notice and who

votes for the Arrangement Resolution will no longer be considered a Dissenting Shareholder with respect to that class of shares voted for the Arrangement Resolution, being the Common Shares. The CBCA does not provide, and Stratos will not assume, that a proxy submitted instructing the proxyholder to vote against the Arrangement Resolution, a vote against the Arrangement Resolution or an abstention constitutes a Dissent Notice, but a Registered Shareholder need not vote its Common Shares against the Arrangement Resolution in order to dissent. Similarly, the revocation of a proxy conferring authority on the proxyholder to vote for the Arrangement Resolution does not constitute a Dissent Notice. However, any proxy granted by a Registered Shareholder who intends to dissent, other than a proxy that instructs the proxyholder to vote against the Arrangement Resolution, should be validly revoked in order to prevent the proxyholder from voting such Common Shares in favour of the Arrangement Resolution and thereby causing the Registered Shareholder to forfeit its Dissent Rights.

Stratos is required, within ten (10) days after Shareholders adopt the Arrangement Resolution, to notify each Dissenting Shareholder that the Arrangement Resolution has been adopted. Such notice is not required to be sent to any Shareholder who voted for the Arrangement Resolution or who has withdrawn its Dissent Notice.

A Dissenting Shareholder who has not withdrawn its Dissent Notice prior to the Meeting must then, within twenty (20) days after receipt of notice that the Arrangement Resolution has been adopted, or if the Dissenting Shareholder does not receive such notice, within twenty (20) days after learning that the Arrangement Resolution has been adopted, send to Stratos a written notice (a "Demand for Payment") containing its name and address, the number of Common Shares in respect of which he or she dissents (the "Dissenting Common Shares"), and a demand for payment of the fair value of such Common Shares. Within thirty (30) days after sending the Demand for Payment, the Dissenting Shareholder must send to Stratos or the Transfer Agent certificates representing Common Shares in respect of which he or she dissents. The Transfer Agent will endorse on share certificates received from a Dissenting Shareholder a notice that the holder is a Dissenting Shareholder and will forthwith return the share certificates to the Dissenting Shareholder. A Dissenting Shareholder who fails to make a Demand for Payment in the time required or to send certificates representing Dissenting Common Shares has no right to make a claim under section 190 of the CBCA.

Under section 190 of the CBCA, a Dissenting Shareholder ceases to have any rights as a Shareholder in respect of its Dissenting Common Shares other than the right to be paid the fair value of the Dissenting Common Shares as determined pursuant to the Interim Order, unless (i) the Dissenting Shareholder withdraws its Dissent Notice before Stratos makes an Offer to Pay, (ii) CIP Acquireco fails to make an Offer to Pay in accordance with subsection 190(12) of the CBCA as modified by the Plan of Arrangement and the Dissenting Shareholder withdraws the Demand for Payment, or (iii) the directors of Stratos revoke the Arrangement Resolution, in which case the Dissenting Shareholder's rights as a Shareholder will be reinstated.

Pursuant to the Plan of Arrangement, in no case shall Stratos or any other person be required to recognize any Dissenting Shareholder as a Shareholder after the Effective Date, and the names of such Shareholders shall be deleted from the list of Registered Shareholders at the Effective Date.

Pursuant to the Plan of Arrangement, Dissenting Shareholders who are ultimately determined to be entitled to be paid fair value for their Dissenting Common Shares shall be deemed to have transferred such Dissenting Common Shares to CIP Acquireco at the Effective Time.

Pursuant to the Plan of Arrangement, Dissenting Shareholders who are ultimately determined not to be entitled, for any reason, to be paid fair value for their Dissenting Common Shares, shall be deemed to have participated in the Arrangement on the same basis as any non-Dissenting Shareholder as at and from the Effective Date.

CIP Acquireco is required, not later than seven (7) days after the later of the Effective Date and the date on which a Demand for Payment is received from a Dissenting Shareholder, to send to each Dissenting Shareholder who has sent a Demand for Payment an Offer to Pay for its Dissenting Common Shares in an amount considered by the Board of Directors to be the fair value of the Common Shares, accompanied by a statement showing the manner in which the fair value was determined. Every Offer to Pay must be on the same terms. CIP Acquireco must pay for the Dissenting Common Shares of a Dissenting Shareholder within ten (10) days after an Offer to Pay has been accepted by a Dissenting Shareholder, but any such offer lapses if CIP Acquireco does not receive an acceptance within thirty (30) days after the Arrangement to Pay has been made.

If CIP Acquireco fails to make an Offer to Pay for a Dissenting Shareholder's Common Shares, or if a Dissenting Shareholder fails to accept an Offer to Pay that has been made, CIP Acquireco may, within fifty (50) days after the Effective Date or within such further period as a court may allow, apply to a court to fix a fair value

for the Common Shares of Dissenting Shareholders. If CIP Acquireco fails to apply to a court, a Dissenting Shareholder may apply to a court for the same purpose within a further period of twenty (20) days or within such further period as a court may allow. A Dissenting Shareholder is not required to give security for costs in such an application.

If CIP Acquireco or a Dissenting Shareholder makes an application to court, CIP Acquireco will be required to notify each affected Dissenting Shareholder of the date, place and consequences of the application and of its right to appear and be heard in person or by counsel. Upon an application to a court, all Dissenting Shareholders who have not accepted an Offer to Pay will be joined as parties and be bound by the decision of the court. Upon any such application to a court, the court may determine whether any person is a Dissenting Shareholder who should be joined as a party, and the court will then fix a fair value for the Dissenting Common Shares of all Dissenting Shareholders. The final order of a court will be rendered against CIP Acquireco in favour of each Dissenting Shareholder for the amount of the fair value of its Dissenting Common Shares as fixed by the court. The court may, in its discretion, allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder from the Effective Date until the date of payment.

Registered Shareholders who are considering exercising Dissent Rights should be aware that there can be no assurance that the fair value of their Common Shares as determined under the applicable provisions of the CBCA (as modified by the Plan of Arrangement and the Interim Order) will be more than or equal to the consideration under the Arrangement. In addition, any judicial determination of fair value will result in delay of receipt by a Dissenting Shareholder of consideration for such Dissenting Shareholder's Dissenting Common Shares.

The foregoing is only a summary of the Dissenting Shareholder provisions of the CBCA (as modified by the Plan of Arrangement and the Interim Order), which are technical and complex. A complete copy of section 190 of the CBCA is attached as Appendix "G" to this Circular. It is recommended that any Registered Shareholder wishing to avail itself of its Dissent Rights under those provisions seek legal advice, as failure to comply strictly with the provisions of the CBCA (as modified by the Plan of Arrangement and the Interim Order) may prejudice its Dissent Rights.

Treatment of Options and Employee Agreements

Stratos Options

As required under the terms of the Arrangement Agreement, the Board has accelerated the vesting of all Stratos Options for purposes of the Arrangement. Each Stratos Option, including those held by directors, officers and employees of Stratos, will be acquired by Stratos in accordance with the Arrangement in exchange for a cash payment equal to the excess, if any, of C\$6.40 over the Stratos Option exercise price per share, multiplied by the number of Common Shares subject to the Stratos Option. All Stratos Options issued and outstanding immediately prior to the Effective Time will thereafter immediately be cancelled under the terms of the Arrangement. Stratos does not expect any amounts to be paid to holders of Stratos Options at a price per Common Share of C\$6.40. Stock Options and stock appreciation rights owned by Named Executive Officers are detailed under the heading "Executive Compensation — Option/SAR Grants".

Executive Employment Agreements

A summary compensation table for five Named Executive Officers of Stratos is set out under the heading "Executive Compensation". The Named Executive Officers have each entered into written employment agreements (the "Employment Agreements") with Stratos. The Employment Agreements provide for benefits to the Named Executive Officers that may be triggered, under certain circumstances, following the consummation of the Arrangement. See "Executive Compensation — Termination Agreements — Termination — Change of Control".

Indemnification and Insurance

Under the terms of the Arrangement Agreement, CIP Acquireco has agreed that Stratos may purchase customary run-off directors' and officers' liability insurance for a period of up to six years from the Effective Time. Stratos currently intends to purchase such coverage for a period of six years.

Fees and Related Expenses and Cash Outlays

Subject to the provisions of the Arrangement Agreement and the Letter Agreement, all expenses incurred in connection with the Arrangement and the transactions contemplated by the Arrangement Agreement will be paid by the party incurring those expenses.

Stratos estimates that it will incur fees and related expenses and cash outlays in the aggregate amount of approximately US\$20-25 million if the Arrangement is completed including, without limitation, financial advisers' fees, consulting fees, legal and accounting fees, payment of restricted stock units to members of the Board of Directors and certain employees, filing fees, proxy solicitation fees, the costs of preparing, printing and mailing this Circular and the costs associated with the Meeting.

ACQUISITION BY CIP ACQUIRECO

A summary of the principal terms of the Arrangement Agreement, the Trust Agreement, the Plan of Arrangement and Letter Agreement is provided in this section. This summary does not purport to be complete and is qualified in its entirety by reference to the Arrangement Agreement, the Trust Agreement and the Plan of Arrangement, which are appended to this Circular. Under the Plan of Arrangement, all of the issued and outstanding Common Shares will be purchased by CIP Acquireco in exchange for C\$6.40 per Common Share. See "The Arrangement", below. The obligations of Stratos and CIP Acquireco in effecting the Arrangement are set forth in the Arrangement Agreement dated March 19, 2007, among Stratos, CIP Acquireco and CIP Limited. See "The Arrangement Agreement", below.

The financing for the acquisition will be provided indirectly to CIP Acquireco by a wholly-owned subsidiary of Inmarsat plc, Inmarsat Finance. The financing will fund the payment of the Cash Consideration, as well as the purchase of Stratos Bonds tendered in the offer to repurchase the Stratos Bonds, as required upon completion of the Arrangement, or the refinancing of the Stratos Credit Facility. In order to fund its obligations under such financing, Inmarsat Finance will enter into a credit facility with third party commercial lenders. See "Financing Arrangements", below.

Upon the consummation of the Arrangement, and under the terms of the Plan of Arrangement, CIP Acquireco will become the beneficial owner of all Common Shares acquired in the Arrangement, while legal title to all such Common Shares will be placed into trust in accordance with the terms of the Trust Agreement. As a result of the arrangements contemplated by the Trust Agreement, the Trustee will have legal ownership and effective control over Stratos during the term of the Trust. The Trust is being established in order to isolate control of Stratos from both CIP and Inmarsat plc, and to facilitate the expeditious regulatory review and approval of the acquisition of Stratos. Stratos will continue to operate independently subsequent to consummation of the Arrangement under the direction of its Board of Directors, and with its own independent auditors. See "The Trust Agreement", below.

In addition, Inmarsat Finance has entered into a call option agreement with CIP, providing it with an option to acquire the shares of CIP Limited (whose subsidiaries will include, when the call option is exercisable, CIP Acquireco and Stratos) when Inmarsat plc or the relevant member of the Inmarsat group of companies is permitted to do so under the Distribution Agreements. The Call Option is exercisable on the earlier of April 14, 2009 and such date as all provisions in all Distribution Agreements restricting or prohibiting the exercise and completion of the Call Option shall have been waived, terminated or otherwise expired. The Call Option shall expire and shall no longer be capable of being exercised after December 31, 2010. See "The Call Option Agreement", below.

In connection with the Arrangement, Stratos and Inmarsat plc have agreed to certain mutual covenants and agreements set forth in the Letter Agreement. See "The Letter Agreement", below.

Capitalized terms have the meanings set out in the Glossary of Terms, or are otherwise defined herein.

The Arrangement

Under the Arrangement, commencing at the Effective Time, the following events or transactions shall occur and shall be deemed to occur in the following sequence without any further act or formality required on the part of any Person, except as expressly provided herein:

(a) the Stratos Rights Plan shall be terminated and all Rights (as defined in the Stratos Rights Plan) shall be cancelled without any payment in respect thereof;

(b) all of the Stratos Options granted and outstanding immediately prior to the Effective Time shall, without any further action on behalf of any holder of Stratos Options, be transferred by the holders thereof to Stratos without any act or formality on its or their part in exchange for a cash amount equal to the excess, if any, of (i) the product of the number of Common Shares underlying the Stratos Options held by such holder and the Cash Consideration over (ii) the aggregate exercise price(s) payable under such Stratos Options (converted to Canadian dollars at the Bank of Canada noon rate on the Effective Date, if applicable) for the number of Common Shares underlying such Stratos Options held by the holder. All Stratos Options issued and outstanding immediately prior to the Effective Time shall thereafter immediately be cancelled and terminated;

(c) each Common Share in respect of which Dissent Rights have been validly exercised before the Effective Time shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all liens, claims and encumbrances, to CIP Acquireco and the Trustee (as provided below) in consideration for a debt claim against CIP Acquireco in an amount determined and payable in accordance with Article IV of the Plan of Arrangement, and the name of such holder shall be removed from the register of holders of Common Shares (in respect of the Common Shares for which Dissent Rights have been validly exercised before the Effective Time), and the Trustee shall be recorded as the registered holder of the Common Shares so transferred and the Trustee shall be deemed to be the legal owner of such Common Shares in accordance with the terms of the Trust Agreement and CIP Acquireco shall be deemed to be the beneficial owner of such Common Shares, in each case, free and clear of any liens, claims or encumbrances; and

(d) each Common Share outstanding immediately prior to the Effective Time (other than Common Shares in respect of which Dissent Rights have been validly exercised before the Effective Time and any Common Shares held by CIP Limited and CIP Acquireco, which shall not be transferred under the Plan of Arrangement), shall be deemed to be transferred by the holder thereof to CIP Acquireco and the Trustee (as provided below) in exchange for the Cash Consideration and the Trustee shall be recorded as the registered holder of the Common Shares so transferred and the Trustee shall be deemed to be the legal owner thereof in accordance with the terms of the Trust Agreement, and CIP Acquireco shall be deemed to be the beneficial owner thereof, in each case, free and clear of any liens, claims or encumbrances.

Effective Date of Arrangement

If the Arrangement Resolution is passed, the Final Order is obtained, every other requirement of the CBCA relating to the Arrangement is complied with and all other conditions disclosed below under “The Arrangement Agreement — Conditions Precedent to the Arrangement” are satisfied or waived, the Arrangement will become effective on the Effective Date. CIP and Stratos currently expect that the Effective Date will be in the third quarter of 2007.

Letter of Transmittal

Stratos will forward to each Shareholder at the address of such holder as it appears on the register maintained by or on behalf of Stratos in respect of the holders of Common Shares the Letter of Transmittal. Upon surrender to the Depositary for cancellation of a certificate which immediately prior to the closing of the Arrangement represented one or more outstanding Common Shares which were acquired for the Cash Consideration in accordance with the terms of the Arrangement, together with the duly completed Letter of Transmittal and such other documents and instruments as would have been required to effect the transfer of the Common Shares formerly represented by such certificate under the CBCA and the by-laws of Stratos and such additional documents and instruments as CIP or the Depositary may reasonably require, the holder of such surrendered certificate shall be entitled to exchange the certificate for a cheque for Cash Consideration in relation to all Common Shares deposited by the holder.

Common Shares owned by Named Executive Officers, as defined herein, are set out under the heading “Report of the Compensation Committee on Executive Compensation — Share Ownership”. All of the Common Shares held by the executive officers and directors of Stratos will be treated in the same fashion under the Arrangement as Common Shares held by any other Shareholder.

Lost Certificates

In the event that any certificate which immediately prior to the Effective Time represented one or more outstanding Common Shares which were exchanged for the Cash Consideration in accordance with the Arrangement Agreement shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depositary shall deliver in exchange for such lost, stolen or destroyed certificate, a cheque in the amount of the aggregate Cash Consideration for all Common Shares deposited by such holder, which such holder is entitled to receive in accordance with the Arrangement Agreement. When authorizing such delivery of the aggregate Cash Consideration that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom a cheque in the amount of the aggregate Cash Consideration is to be delivered shall, as a condition precedent to the delivery of such cheque, give a bond satisfactory to CIP Acquireco and the Depositary in such amount as CIP Acquireco and the Depositary may direct, or otherwise indemnify CIP Acquireco and the Depositary in a manner satisfactory to CIP Acquireco and the Depositary, against any claim that may be made against CIP Acquireco or the Depositary with respect to the

certificate alleged to have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the by-laws of Stratos.

Conditions Precedent to the Arrangement

Mutual Conditions Precedent

The Arrangement Agreement provides that the obligations of the parties thereto to complete the transactions contemplated by the Arrangement Agreement are subject to the fulfillment, on or before the Effective Date, of each of the following conditions precedent, each of which may only be waived in respect of a party thereto, by such party in writing at any time:

- (a) the Interim Order shall have been granted in form and substance satisfactory to the parties to the Arrangement Agreement, acting reasonably, and shall not have been set aside or modified in a manner unacceptable to such parties, acting reasonably, on appeal or otherwise;
- (b) the Stratos Required Vote shall have been obtained at the Meeting;
- (c) the Final Order shall have been granted in form and substance satisfactory to the parties to the Arrangement Agreement, acting reasonably, and shall not have been set aside or modified in a manner unacceptable to such parties, acting reasonably, on appeal or otherwise;
- (d) the Articles of Arrangement shall be in form and substance satisfactory to the parties to the Arrangement Agreement, acting reasonably;
- (e) there shall not be in force any Prohibition Order or any Laws, ruling, order or decree issued by any Governmental Entity of competent jurisdiction that restrains, enjoins or prohibits the consummation of the Arrangement and the transactions contemplated by the Arrangement Agreement, other than such Laws, rulings, orders or decrees that, in the opinion of CIP Limited and CIP Acquireco, acting reasonably, the breach thereof would not impair the ability of CIP Limited and CIP Acquireco to consummate the Arrangement or of Stratos and its Subsidiaries to carry on their business following the Effective Date in a manner substantially similar to the manner carried on prior to the Effective Date;
- (f) the Regulatory Approvals (as set forth in the Arrangement Agreement) shall have been obtained or received on terms that are reasonably satisfactory to CIP Limited and CIP Acquireco, except where the failure to obtain such Regulatory Approvals would not reasonably be expected to impede, interfere with, prevent or materially delay the completion of the Arrangement and the transactions contemplated by the Arrangement Agreement or have a Material Adverse Effect on Stratos; and
- (g) the Arrangement Agreement shall not have been terminated pursuant to its terms.

Additional Conditions Precedent to the Obligations of CIP Limited and CIP Acquireco

The Arrangement Agreement provides, subject to the notice and cure provisions in the Arrangement Agreement, that the obligation of CIP Limited and CIP Acquireco to complete the transactions contemplated by the Arrangement Agreement are also subject to the fulfillment of each of the following conditions precedent, each of which is for the benefit of CIP Limited and CIP Acquireco and may be waived by CIP Limited and CIP Acquireco in writing at any time:

- (a) the representations and warranties made by Stratos in the Arrangement Agreement which are qualified by the expression "Material Adverse Change" or "Material Adverse Effect" or as to materiality shall be true and correct as of the Effective Date as if made on and as of such date (except to the extent that such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be true and correct as of such earlier date), and all other representations and warranties made by Stratos in the Arrangement Agreement which are not so qualified shall be true and correct in all material respects as of the Effective Date as if made on and as of such date (except to the extent that such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be true and correct as of such earlier date), in either case, except where any failures or breaches of representations and warranties would not either individually or in the aggregate, in the reasonable judgment of CIP Limited and CIP Acquireco, have a Material Adverse Effect on Stratos, and Stratos shall have

provided to CIP Limited and CIP Acquireco a certificate of two officers thereof certifying such accuracy or lack of Material Adverse Effect on the Effective Date;

- (b) from the date of the Arrangement Agreement to the Effective Date, there shall not have occurred, and neither Stratos nor any Stratos Subsidiaries shall have incurred or suffered, a Material Adverse Change or any one or more changes, effects, events, occurrences or states of facts that, either individually or in the aggregate, have a Material Adverse Effect on Stratos (it being understood that the failure of Stratos to obtain any necessary consent or commitment letter contemplated by the Arrangement Agreement, or an event of default under the Stratos Credit Facility resulting from the consummation of the Arrangement or the other transactions contemplated by the Arrangement Agreement, shall not constitute a Material Adverse Effect if Stratos has complied with its obligations pursuant to the Arrangement Agreement);
- (c) all third person and other consents, waivers, permits, exemptions, orders, approvals, agreements, amendments and modifications to agreements, indentures or arrangements in connection with, or required to permit, the completion of the Arrangement and the transactions contemplated by the Arrangement Agreement shall have been obtained or received on terms that are reasonably satisfactory to CIP Limited and CIP Acquireco, except where the failure to obtain such consents, waivers, permits, exemptions, orders, approvals, agreements, amendments or modifications would not, either individually or in the aggregate, have a Material Adverse Effect on Stratos or reasonably be expected to impede, interfere with, prevent or materially delay the Arrangement and the transactions contemplated by the Arrangement Agreement;
- (d) Shareholders holding no more than 20% of the outstanding Common Shares shall have exercised Dissent Rights in connection with the Arrangement;
- (e) Stratos shall have complied in all material respects with its covenants in the Arrangement Agreement and Stratos shall have provided to CIP Limited and CIP Acquireco a certificate of two officers thereof certifying that, as of the Effective Date, Stratos has so complied with its covenants in the Arrangement Agreement; and
- (f) the directors of Stratos and each Stratos Subsidiary shall have adopted all necessary resolutions and all other necessary corporate action shall have been taken by Stratos and the Stratos Subsidiaries to permit the consummation of the Arrangement and the transactions contemplated by the Arrangement Agreement.

Additional Conditions Precedent to the Obligations of Stratos

The Arrangement Agreement provides, subject to the notice and cure provisions in the Arrangement Agreement, that the obligation of Stratos to complete the transactions contemplated by the Arrangement Agreement are also subject to the following conditions precedent, each of which is for the benefit of Stratos and may be waived by Stratos in writing at any time:

- (a) the representations and warranties made by CIP Limited in the Arrangement Agreement shall be true and correct as of the Effective Date as if made on and as of such date (except to the extent that such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be true and correct as of such earlier date), except where any failures or breaches of representations and warranties would not reasonably be expected to impede, interfere with, prevent or materially delay the Arrangement and the other transactions contemplated in the Arrangement Agreement, and CIP Limited shall have provided to Stratos a certificate of two officers thereof certifying such accuracy or lack of obstruction to completion on the Effective Date;
- (b) each of CIP Limited and CIP Acquireco shall have complied in all material respects with its covenants in the Arrangement Agreement and each of CIP Limited and CIP Acquireco shall have provided to Stratos a certificate of two officers thereof, certifying that, as of the Effective Date, it has so complied with its covenants in the Arrangement Agreement;
- (c) the directors of each of CIP, CIP Limited and CIP Acquireco shall have adopted all necessary resolutions and all other necessary corporate action shall have been taken by each of CIP, CIP Limited and CIP Acquireco to permit the consummation of the Arrangement and the transactions contemplated by the Arrangement Agreement;

- (d) the Facility Agreement and the Trust Agreement shall have been duly executed and delivered by each of the parties thereto and shall be in full force;
- (e) the Call Option Agreement shall be in full force, unamended from the form of such agreement executed as of the date of the Arrangement Agreement, except for such amendments consented to in writing by Stratos, acting reasonably; and
- (f) CIP Limited and CIP Acquireco shall have caused, or shall have made arrangements to cause, the Cash Consideration payable to holders of Common Shares to be deposited on its behalf and, if applicable, the Option Consideration payable to holders of Stratos Options to be deposited on behalf of Stratos with the Depositary not later than immediately prior to the closing of Arrangement.

Representations and Warranties

The Arrangement Agreement contains customary representations and warranties of Stratos relating to matters that include, among other things: organization, capitalization, authority, directors' approvals, Stratos subsidiaries, no defaults, absence of changes, employment agreements, collective agreements, financial matters, no prohibited payments, minute books and records, litigation, title to properties and condition of assets, status of land earth stations, intellectual property, permits, insurance, environmental, tax matters, employee plans, reporting status, foreign private issuer status, securities and other reports, compliance with laws and exchange requirements, no cease trade, no option on assets, material contracts, disclosure/internal contracts, government grants, non-arm's length transactions, regulatory matters and no brokers commission.

The Arrangement Agreement also contains customary representations and warranties of CIP Limited and CIP Acquireco relating to matters that include: organization, authority, no defaults, financing, common shares, and ownership and control.

Covenants

The Arrangement Agreement contains customary covenants of Stratos with respect to certain matters including, without limitation, carrying on its business in the ordinary course prior to the Effective Time, recommending to its shareholders that they vote in favour of the Arrangement Resolution, using all commercially reasonable efforts to obtain all necessary Regulatory Approvals, adopting a new management incentive plan to be effective on the Effective Time and retaining in force its shareholders rights plan until the consummation of the Agreement. CIP has similarly covenanted to use all commercially reasonable efforts to obtain all Regulatory Approvals.

The Arrangement Agreement also provides that Stratos shall use commercially reasonable efforts to obtain either (i) the consent of the lenders under the Stratos Credit Facility to the Arrangement and the other transactions contemplated by the Arrangement Agreement to permit the Stratos Credit Facility to remain in place following the Effective Date, or (ii) a commitment letter providing for the refinancing of the Stratos Credit Facility on the Effective Date. Stratos also has agreed to keep CIP Limited and CIP Acquireco informed in such process and to give reasonable consideration to their requests; in addition, the consent of CIP Limited and CIP Acquireco is required if any amendments to the terms of the Stratos Credit Facility are sought or if the terms of any refinancing of the Stratos Credit Facility are materially different than those of the Stratos Credit Facility. CIP has agreed to pay Stratos all reasonable and customary fees and expenses incurred by Stratos in connection with obtaining such consents or arranging any such commitment letter. Provided that Stratos has complied with its obligations in respect of the Stratos Credit Facility and no consent or commitment letter as contemplated thereunder is obtained and provided that the Facility Agreement has been executed by the parties thereto, the Arrangement Agreement provides that CIP Limited will request an advance under the Facility Agreement, on the terms and subject to the conditions set forth therein, which funds will be advanced to Stratos on terms to be mutually agreed by the parties, acting reasonably, in order to refinance the Stratos Credit Facility.

The Arrangement Agreement permits Stratos to arrange for the financing of a mandatory tender offer for the Stratos Bonds following the Effective Date, including obtaining a backstop commitment letter for such financing, in the event that the necessary consents or the commitment letter for the refinancing Stratos Credit Facility are not obtained. Stratos may execute such commitment no earlier than 30 days before the Meeting. CIP has agreed to pay Stratos all reasonable and customary fees and expenses incurred by Stratos in connection with obtaining arranging any such commitment letter.

Finally, the Arrangement Agreement also provides that CIP shall use commercially reasonable efforts to enter into the Facility Agreement no later than one Business Day prior to the Meeting.

No Solicitation

Until the termination of the Arrangement Agreement in accordance with its terms, neither Stratos nor its affiliates, officers, directors, employees and any financial advisers or other advisers or representatives retained by it will, directly or indirectly, (i) solicit or otherwise facilitate (including by way of furnishing information), initiate, encourage, engage in or respond to any inquiries or proposals regarding an Acquisition Proposal; (ii) encourage or participate in any discussions or negotiations regarding any Acquisition Proposal; (iii) agree to, approve or recommend an Acquisition Proposal; (iv) withdraw, modify, qualify or change, or propose publicly or publicly state that it intends to withdraw, modify, qualify or change, in any manner adverse to CIP Limited or CIP Acquireco, the approval or recommendation of the Board of Directors or any committee thereof of the Arrangement Agreement or the Arrangement Resolution (it being understood that the failure of the Board of Directors to affirm such approval or recommendation after an Acquisition Proposal has been publicly announced, following a request by CIP Limited and CIP Acquireco, shall be deemed a modification of such approval or recommendation that is adverse to CIP Limited and CIP Acquireco); (v) approve or recommend, or remain neutral with respect to, or propose publicly to approve or recommend, or to remain neutral with respect to, any Acquisition Proposal; or (vi) enter into any agreement, arrangement or understanding related to an Acquisition Proposal or requiring Stratos to abandon, terminate or fail to consummate the Arrangement or providing for the payment of any break, termination or other fees or expenses to any Person in the event that the Arrangement is consummated in accordance with the terms of the Arrangement Agreement (as it may be amended pursuant to the Arrangement Agreement); provided, however, that subject as provided in the Arrangement Agreement, nothing shall prevent Stratos, during the period commencing on the date of the Arrangement Agreement and ending on the date upon which the Shareholders approve the Arrangement Resolution, from furnishing non-public information to, or entering into a confidentiality agreement and/or participating in discussions or negotiations with, any Person in response to an unsolicited Acquisition Proposal that did not result from a breach of any of the subsections described immediately above, which is not withdrawn if: (A) the directors of Stratos conclude in good faith, based on information then available and after consultation with Stratos' financial advisers and outside legal counsel, that such Acquisition Proposal constitutes a Superior Proposal or could reasonably be expected to result in a Superior Proposal, and (B) prior to providing any non-public information to such Person in connection with such Acquisition Proposal, the Board of Directors receives from such Person an executed confidentiality agreement substantially similar to the confidentiality agreement between CIP and Stratos and Stratos sends a copy of any such confidentiality agreement to CIP Limited and CIP Acquireco promptly upon its execution and promptly provides CIP Limited and CIP Acquireco a list of, or in the case of information that was not previously made available to CIP Limited and CIP Acquireco, copies of, any information provided to such person.

Stratos shall promptly (and in any event within 24 hours) notify CIP Limited and CIP Acquireco, first orally and then in writing, of any inquiries, proposals or offers relating to or constituting an Acquisition Proposal which any director, senior officer or agent thereof is or becomes aware of, any amendment to any such proposal or any request for non-public information relating to Stratos or any Stratos Subsidiary. Such notice shall include a description of the terms and conditions of any such inquiry, proposal or offer and the identity of the Person making such inquiry, proposal or offer and such other details of the inquiry, proposal or offer as CIP Limited and CIP Acquireco may reasonably request. Stratos shall keep CIP Limited and CIP Acquireco fully informed on a prompt basis of the status, including any change to the terms, of any such inquiry, proposal or offer.

Superior Proposal

Provided that Stratos has complied with the non-solicitation provisions of the Arrangement Agreement, Stratos or its directors may, until the date upon which the Shareholders approve the Arrangement Resolution, take any action that is prohibited by subsections (iii), (iv), (v) and (vi) under the heading "No Solicitation" above in respect of any Acquisition Proposal if:

- (a) such Acquisition Proposal constitutes a Superior Proposal and does not provide for the payment of any break, termination or other fees or expenses to any Person in the event that the Arrangement is consummated in accordance with the terms of the Arrangement Agreement (as it may be amended pursuant to the Arrangement Agreement);
- (b) such Acquisition Proposal is in writing and CIP Limited and CIP Acquireco have been provided with a copy of the document containing such Superior Proposal;

- (c) five Business Days have elapsed from the later of: (i) the date on which CIP Limited and CIP Acquireco received written notice of the determination of Stratos or its directors to accept, approve or recommend or to enter into an agreement in respect of such Superior Proposal; and (ii) the date CIP Limited and CIP Acquireco receives a copy of such Superior Proposal;
- (d) in the event that CIP Limited and CIP Acquireco have proposed to amend the Arrangement Agreement or other terms of the Arrangement during the five Business Day period referred to above to match or exceed the terms of the Superior Proposal (which CIP Limited and CIP Acquireco have the right but not the obligation to do), the Board of Directors (after receiving advice from its financial advisers and outside legal counsel) has determined in good faith that the Acquisition Proposal continues to constitute a Superior Proposal after taking into account such amendments;
- (e) the Board of Directors has determined in good faith, after consultation with its financial advisers and outside legal counsel, that taking such action is necessary in order to discharge the fiduciary duties of the Board of Directors; and
- (f) Stratos has terminated the Arrangement Agreement in accordance with its terms and Stratos has made the payment contemplated by, and in accordance with, the Arrangement Agreement.

A proposal is a Superior Proposal if it is an unsolicited *bona fide* written Acquisition Proposal for 100% of the Common Shares (or all or substantially all of its assets) that the Board of Directors has determined in good faith, after consultation with its financial and outside legal advisers, would, if consummated in accordance with its terms, but without assuming away the risk of non-completion, result in a transaction which (i) is more favourable, from a financial point of view, to the Shareholders than the Arrangement (including any amendment to the terms and conditions of the Arrangement Agreement proposed by CIP Limited and CIP Acquireco pursuant to Section 7.2 of the Arrangement Agreement), (ii) is reasonably capable of completion without undue delay taking into account all legal, financial, regulatory and other aspects of such Acquisition Proposal and the party making such Acquisition Proposal, and (iii) in respect of which any required financing to complete such Acquisition Proposal has been demonstrated to the satisfaction of the Board of Directors, acting in good faith (after receipt of advice from its financial advisers and outside legal counsel), is reasonably likely to be obtained.

Termination Fee

In the event that:

- (a) Stratos terminates the Arrangement Agreement in accordance with its terms in order to accept a Superior Proposal;
- (b) the Board of Directors shall have made a change in their recommendation regarding the Arrangement and CIP Limited and CIP Acquireco terminate the Arrangement Agreement, in accordance with its terms, as discussed under the heading “Termination” below;
- (c) either CIP Limited and CIP Acquireco or Stratos terminates the Arrangement Agreement in accordance with its terms (other than in certain circumstances set forth in the Arrangement Agreement, including if the Arrangement Agreement is terminated as a result of the Arrangement Resolution not having received the required approval by Shareholders (except where an Acquisition Proposal was publicly announced or otherwise communicated to Stratos and/or the Shareholders prior to such vote), or as a result of the failure to obtain the Regulatory Approvals where Stratos has otherwise complied with its obligations in respect thereof) and Stratos enters into an agreement with respect to an Acquisition Proposal, or an Acquisition Proposal is consummated, in each case prior to the date that is six months following termination of the Arrangement Agreement; or
- (d) CIP Limited and CIP Acquireco terminate the Arrangement Agreement as a result of an intentional, wilful or deliberate breach of specified covenants in the Arrangement Agreement by Stratos or any of its affiliates, advisers, officers, directors, employees, agents or other representatives,

then Stratos shall pay CIP Limited an amount in cash equal to C\$8,000,000 (US\$7.1 million at current exchange rates) in immediately available funds to an account designated by CIP Limited.

Termination

The Arrangement Agreement may be terminated in certain circumstances, including: (i) by mutual agreement of the parties; (ii) by either party (A) if any of the mutual conditions or the conditions in its favour is not satisfied or (B) if completion of the Arrangement is prohibited by a permanent or final order from a court, regulator or arbitrator; (iii) by Stratos in the circumstances contemplated under the heading “Superior Proposal” above or if Inmarsat plc has materially breached the Letter Agreement; (iv) by CIP Limited and CIP Acquireco if there is a change in the Board of Directors recommendation to approve the Arrangement; or (v) by either party if the Shareholders do not approve the Arrangement or if the Arrangement has not been completed by September 28, 2007 (subject to two 30 day extensions for Regulatory Approvals only, as specified in the Arrangement Agreement).

The Trust Agreement

The following description of certain material provisions of the Trust Agreement between CIP Acquireco and the Trustee is a summary only, is not comprehensive and is qualified in its entirety by reference to the full text of the Trust Agreement, a copy of which is attached as Appendix “I” to this Circular.

The Trustee is a Canadian resident who is independent of all parties to the transaction.

In connection with the Arrangement, CIP Acquireco has entered into the Trust Agreement, pursuant to which a Canadian-domiciled trust (the “Trust”) will be established to hold the legal title (and accordingly, the voting rights attached) to the Common Shares acquired by CIP Acquireco under the Plan of Arrangement and any other securities or assets of Stratos that may be acquired by CIP Acquireco during the Trust period. As a result of the arrangements contemplated by the Trust Agreement, the Trustee will have legal and effective control over Stratos during the term of the Trust. In addition to the legal title to the Common Shares to be acquired upon consummation of the Arrangement, legal title to any Stratos Bonds tendered under the mandatory tender offer for the Stratos Bonds, and acquired by CIP Acquireco, will be placed in the Trust.

The Trust will have the effect of isolating control of Stratos from both CIP and Inmarsat plc, and will facilitate the expeditious regulatory review and approval of the acquisition of Stratos. During the term of the Trust, the Trustee will be responsible, among other things, to take the following actions:

- hold legal title to the Common Shares and any Stratos Bonds transferred by CIP Acquireco and any other trust property in the possession of the Trustee in trust pursuant to the terms of the Trust Agreement;
- issue to CIP Acquireco “trust certificates” (in prescribed form) in respect of the Common Shares and Stratos Bonds and any other trust property held by the Trustee, and issue replacement trust certificates if the original certificates become lost or mutilated;
- maintain such books and records as are necessary or appropriate to enable the Trustee to carry out the terms and conditions of the Trust Agreement;
- exercise the voting rights to elect members of the Board of Directors whom the Trustee reasonably believes are independent of CIP and its affiliates and Inmarsat plc and its affiliates;
- pay any dividends, distributions (except distributions of Stratos securities) or interest, or the proceeds from the sale of assets or the dissolution of Stratos, received by the Trustee to CIP Acquireco, in each case in accordance with the terms of the Trust Agreement;
- communicate with, and receive communications from, CIP Acquireco and its representatives only in writing;
- provide to CIP Acquireco in writing all information that the Trustee receives from Stratos and, to the extent permitted by law, provide in writing in response to CIP Acquireco’s request any information regarding Stratos required by CIP Acquireco or its lenders to comply with securities laws or applicable regulatory requirements;
- comply with the rules, regulations and policies of the FCC and other regulatory bodies having jurisdiction over Stratos;
- take all reasonable steps to defend against any challenge to the Trustee’s ability to hold the Common Shares or Stratos Bonds, including providing co-operation and assistance to CIP Acquireco;

- transfer legal title to the Common Shares and Stratos Bonds and any other trust property to CIP Acquireco upon termination of the Trust in accordance with its terms; and
- if CIP Acquireco notifies the Trustee that it is unable to obtain all Regulatory Approvals for the transfer of the Trust property to CIP Acquireco, commence a process to sell the Trust assets pursuant to an auction process managed by an investment bank selected by the Trustee with the winning bidder selected by the Trustee on terms which will maximize the sale proceeds to CIP Acquireco and provide assistance to any third party permitted to acquire the Common Shares in respect of that party's applications for regulatory approvals to permit such transfer.

The Trust Agreement provides that the Trustee is permitted to manage the Trust exclusively, incur and pay all reasonable expenses deemed by him to be necessary in the performance of his duties and be reimbursed by CIP Acquireco therefor; and consult with legal counsel (who must not have any business or other relationship with Stratos). The Trust Agreement also provides the Trustee with a range of protections, including indemnification by CIP Acquireco against all claims, costs, expenses and liabilities incurred by the Trustee in the performance of his duties, except those incurred as a result of his gross negligence or wilful misconduct and a release from liability by CIP Acquireco for actions taken in accordance with the Trust Agreement, subject to certain limited exceptions (including actions done or not done by the Trustee with gross negligence or wilful misconduct).

Subject to certain exceptions and to obtaining applicable regulatory approvals, the Trust Agreement provides that the Trust will remain in existence until the earlier of (i) April 14, 2009 and (ii) the date on which the Trustee receives notice from CIP Acquireco that the Call Option has become exercisable due to a waiver, termination or other change to the Distribution Agreements and has been exercised or has terminated, provided that if all the trust property has not been transferred out of the Trust by that date, then the Trust shall extend until the date on which all the trust property is disposed of by the Trustee.

The Trustee shall receive remuneration in the amount of US\$20,000 per month. In addition, the Trust Agreement provides that the Trustee shall also be reimbursed by CIP Acquireco for all reasonable expenses incurred by him in connection with his administration of the Trust and the performance of the Trust Agreement.

The Trustee may resign on 90 days' notice, provided that an approved replacement trustee in place at the time of resignation. In addition, CIP Acquireco may remove the Trustee if an independent third party finds that the Trustee has engaged in malfeasance, criminal conduct or wanton or wilful neglect, or is found by a court to be incompetent.

The Letter Agreement

The following description is a summary of the letter agreement (the "Letter Agreement"), dated as of March 19, 2007, between Stratos and Inmarsat plc.

Covenants of Stratos and Inmarsat plc

Stratos and Inmarsat plc have agreed to certain mutual covenants and agreements set forth in the Letter Agreement. In particular, the Letter Agreement provides that each of Stratos and Inmarsat plc shall use commercially reasonable efforts to, among other things, (a) satisfy, or cause to be satisfied, the conditions precedent under the Arrangement Agreement to the extent within the control of Stratos or Inmarsat plc, (b) obtain all necessary government registrations and filings in connection with transactions contemplated by the Arrangement Agreement, and (c) oppose, lift or rescind any injunction or restraining order or other order or action challenging the Arrangement Agreement, the Arrangement and the related transactions, including vigorously opposing, defending and resisting any such action and, subject to certain limited exceptions, not settling any such action without the prior written consent of the other party. In addition, the Letter Agreement provides that Inmarsat plc shall use reasonable best efforts to assist CIP Limited and CIP Acquireco to perform their obligations under the Arrangement Agreement and to collaborate with Stratos to remedy any material breach of the Arrangement Agreement by CIP Limited or CIP Acquireco, including, if such breach cannot be remedied, seeking a suitable replacement acquirer of Stratos so that the Arrangement can be completed without a material delay.

Pursuant to the Letter Agreement, Inmarsat plc has also agreed to cause Inmarsat Finance to enter into a definitive facility agreement with Inmarsat plc's third-party lenders and a separate definitive facility agreement with CIP Limited and CIP Acquireco, in each case no later than one business day prior to the Meeting, in order to enable CIP Acquireco to fulfill its payment obligations under the Arrangement Agreement. The Letter Agreement also provides that, subject to certain limited conditions, if Stratos, CIP Limited and CIP Acquireco are unable to obtain either the consent of Stratos' lenders under the Stratos Credit Facility or a commitment letter providing for the

refinancing of the Stratos Credit Facility, then, not later than one Business Day prior to the Meeting, Inmarsat plc will procure third-party financing sufficient to enable Inmarsat Finance to fund its obligations under the facility agreement with CIP Limited and CIP Acquireco related to the refinancing of the Stratos Credit Facility.

Conditional Distribution Agreements

If the Arrangement Agreement is terminated in accordance with its terms pursuant to Section 8.1(b), 8.1(e), 8.1(f), or 8.1(h)-(k) inclusive thereof of the Arrangement Agreement (in each case provided that (i) Stratos has not breached any of its material obligations under the Arrangement Agreement, there has not been a Change in Stratos Recommendation and no termination fee is payable under Section 7.3 of the Arrangement Agreement and provided always that (ii) the applicable Distribution Agreements continue in force and effect for their current term), then Inmarsat plc has agreed that its affiliates will enter into the Conditional Distribution Agreements, which will be effective on and from April 15, 2009 for a further period based on the period of time between March 19, 2007 (the date of the Arrangement Agreement) and the date the Arrangement Agreement is terminated in the circumstances contemplated by the Letter Agreement. If such period is: (a) equal to or less than 90 days, then there shall be no Conditional Distribution Agreements between the parties; (b) more than 90 days and less than or equal to 180 days, then the period under the Conditional Distribution Agreements shall be equal to the length of the such period; and (c) 181 days or more, then the period under the Conditional Distribution Agreements shall be 180 days. While the Conditional Distribution Agreements are in effect, the LESO Agreement and other distribution agreements shall remain in force on the same material terms as set out in such agreements on April 14, 2009. In addition, the volume discount scheme shall remain in effect, while other terms of the CFA shall cease to apply.

Distribution Partners

The Letter Agreement provides that Inmarsat plc shall, unless the CFA and LESO Agreement have been amended prior to such date, until April 14, 2009:

- continue to work with all of its distribution partners and will not unreasonably discriminate between them;
- continue to support all its distribution partners with collaborative sales and marketing programs;
- continue to hold in confidence any confidential commercial information obtained from any of its distribution partners; and
- not provide any confidential commercial information that it obtains from any distribution partner to any employee of CIP, Stratos or the Trustee.

Standstill

The Letter Agreement provides that, for a period of six months from the date upon which the Arrangement Agreement is terminated in accordance with its terms, neither Inmarsat plc, nor any of its affiliates, nor any person acting jointly or in concert with Inmarsat plc, shall acquire any Common Shares or Stratos securities after the date of the Letter Agreement, except pursuant to the Arrangement Agreement, the Facility Agreement or the Call Option and that neither Inmarsat plc nor any of its affiliates shall enter into any other arrangement, agreement or transaction with any other person to acquire Common Shares or Stratos securities, including any option, warrant, conversion privilege or other right, obligation or commitment relating to Common Shares or Stratos securities, provided that the restrictions described in this paragraph shall not apply in the event that the Arrangement Agreement terminates by reason of Sections 8.1(a), 8.1(c) or 8.1(d) thereof.

Termination

The Letter Agreement terminates (a) automatically upon the termination of the Arrangement Agreement by Stratos in connection with accepting a Superior Proposal, (b) by the written agreement of Stratos and Inmarsat plc and (c) unless previously terminated or unless the Effective Date has occurred, upon the 12-month anniversary of the date upon which the Arrangement Agreement is terminated.

The Call Option Agreement

Subject to the consummation of the Arrangement, Inmarsat Finance has been granted an option by CIP to acquire CIP Limited (the "Call Option") from CIP, for which it will pay CIP US\$750,000 immediately upon completion of the Arrangement. The Call Option provides Inmarsat Finance with a right to acquire Stratos indirectly. Inmarsat Finance's Call Option becomes exercisable the earlier of April 14, 2009 and such date as all provisions in all the Distribution Agreements restricting or prohibiting the exercise and completion of the Call

Option shall have been waived, terminated or otherwise expired. The completion of the Call Option is subject to certain conditions, including the receipt of all relevant regulatory clearances, consents, authorizations and approvals. The Call Option terminates on December 31, 2010. Upon exercise of the Call Option, Inmarsat Finance will pay CIP an exercise price of between US\$750,000 and US\$1,000,000. Until exercise of the Call Option, neither Inmarsat Finance nor any other member of the Inmarsat plc group of companies will have any equity interest in, ownership of, or control over the management or policies of, Stratos.

Financing Arrangements

The following description of certain material provisions of the commitment letter and term sheet (the "Commitment Letter") dated as of March 19, 2007 between Inmarsat Finance and CIP Limited is a summary only, is not comprehensive and is qualified in its entirety by reference to the full text of the Commitment Letter, a copy of which is attached as Schedule B to the Arrangement Agreement.

Concurrent with the execution of the Arrangement Agreement, Inmarsat Finance has provided the Commitment Letter to CIP Limited regarding the financing, among other things, of the acquisition of Common Shares pursuant to the Arrangement Agreement ("Tranche A") and either the offer to purchase the Stratos Bonds in accordance with their terms as a result of the consummation of the Arrangement and the transactions contemplated thereby ("Tranche B") or the refinancing of the Stratos Credit Facility ("Tranche C"). Under the terms of the Letter Agreement, described above, Inmarsat plc has agreed to cause Inmarsat Finance to enter into a definitive facility agreement with CIP Limited, substantially on the terms and conditions of such Commitment Letter, no later than one business day prior to the Meeting.

As described under "The Arrangement Agreement", above, Stratos has agreed to use commercially reasonable efforts seek as soon as practicable until at least the date that is 30 days prior to the date of the Meeting either a waiver of the change of control clause in the Stratos Credit Facility from the lenders under such facility or a new committed facility. The Commitment Letter provides that, should Stratos and CIP Acquireco be unable to secure either the waiver or new facility for the Stratos Credit Facility, CIP Limited will be permitted to draw on Inmarsat Finance's Tranche C commitment, which will enable the Stratos Credit Facility to be refinanced upon consummation of the Arrangement. If the Tranche C commitment is drawn upon, Inmarsat Finance's Tranche B commitment, described above, will not be available to CIP Limited. In that case, under the terms of the Arrangement Agreement, Stratos has the option to obtain a backstop commitment letter for the mandatory tender offer for the Stratos Bonds, in which event CIP Acquireco would reimburse Stratos for its reasonable fees and expenses in connection therewith.

In order to provide the loan facility to CIP Limited, Inmarsat Finance has also entered into a US\$411.5 million borrowing facility agreement with three banks. Borrowings under this facility will be structurally subordinated to all of Inmarsat plc's other outstanding indebtedness, but will be guaranteed by Inmarsat plc. Subject to consummation of the Arrangement, Inmarsat Finance expects to draw US\$260 million of the facility to fund the loan to CIP Limited contemplated by the Commitment Letter and to pay fees and expenses of the transaction. The final amounts of the loans remain subject to the finalisation of fees and expenses and certain hedging arrangements. The undrawn facility amounts will be available to Inmarsat Finance to fund an additional loan to CIP Limited to support either the refinancing of the Stratos Credit Facility upon consummation of the Arrangement or CIP Acquireco's funding of a mandatory tender offer for the Stratos Bonds required following consummation of the Arrangement. Under the terms of the Letter Agreement, described above, Inmarsat plc has agreed to cause Inmarsat Finance to enter into a definitive facility agreement with such banks, substantially on the terms and conditions of the commitment letter related to such borrowing facility agreement, no later than one business day prior to the Meeting.

The Commitment Letter contemplates, and the definitive facility agreement will include, certain conditions precedent to the obligation of Inmarsat Finance to fund CIP Acquireco.

Stock Exchange De-Listing and Reporting Issuer Status

The Common Shares are expected to be delisted from the TSX following the Effective Date. Stratos may also seek to be deemed to have ceased to be a reporting issuer under the securities legislation of each of the Provinces in Canada under which it is currently a reporting issuer (or equivalent).

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Blake, Cassels & Graydon LLP, counsel to Stratos, the following describes the principal Canadian federal income tax considerations relating to the Arrangement generally applicable to a Shareholder who, at all relevant times, for the purposes of the ITA: (a) deals at arm's length with Stratos, CIP Acquireco and CIP; (b)

is not affiliated with Stratos, CIP Acquireco or CIP; and (c) holds all Common Shares, as capital property (each such Shareholder in this summary, a “Holder”).

A Holder’s Common Shares generally will be considered to be capital property of the Holder, unless the Holder acquired or holds the shares in the course of carrying on a business or acquired the shares in a transaction considered to be an adventure in the nature of trade. Certain Holders who are residents of Canada for the purposes of the ITA and whose Common Shares might not otherwise be capital property may, in certain circumstances, be entitled to make an irrevocable election under subsection 39(4) of the ITA to have such shares and every other “Canadian security” (as defined in the ITA) owned by such Holder in the taxation year in which the election is made and in all subsequent taxation years deemed to be capital property. Such Holders should consult their own tax advisers regarding whether an election under subsection 39(4) of the ITA is available and advisable in their particular circumstances.

This summary is based on the current provisions of the ITA, the regulations thereunder, and counsel’s understanding of the current published administrative policies and assessing practices of the CRA publicly available prior to the date hereof. This summary also takes into account all specific proposals to amend the ITA and the regulations thereunder publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “Proposed Amendments”), and assumes that all Proposed Amendments will be enacted in the form proposed, although no assurances can be given in this regard. Except for the Proposed Amendments, this summary does not take into account or anticipate any changes in law or in the administrative policies and assessing practices of CRA, whether by legislative, governmental, regulatory, or judicial action or decision, nor does it take into account provincial, territorial or foreign income tax considerations, which may differ from the Canadian federal income tax considerations discussed below.

This summary is not applicable to a Holder that is a “financial institution” as defined in the ITA for the purposes of the “mark-to-market property” rules or a “specified financial institution” as defined in the ITA, nor does it apply to a Holder an interest in which is a “tax shelter investment” as defined in the ITA. In addition, this summary does not address issues relevant to Holders who acquired their Common Shares on the exercise of an employee stock option. Such Holders should consult their own tax advisers. The acquisition of the Stratos Options pursuant to the Plan of Arrangement has tax consequences not described herein. All holders of Stratos Options are urged to consult their own tax advisers as to the Canadian federal income tax consequences of the Arrangement having regard to their own particular circumstances.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations. This summary is not, and should not be construed as, legal or tax advice to any particular Holder and no representations with respect to the tax consequences to any particular Holder are made. Accordingly all Holders, and all other Shareholders, should consult their own tax adviser regarding the Canadian federal income tax consequences of the Arrangement applicable to their particular circumstances.

Holders Resident in Canada

This portion of the summary generally applies to a Holder who, at all relevant times, is or is deemed to be resident in Canada for purposes of the application of the ITA (a “Resident Holder”).

Disposition of Common Shares under the Arrangement

A Resident Holder who disposes of Common Shares under the Arrangement will be considered to have disposed of the Common Shares for proceeds of disposition equal to C\$6.40 for each Common Share disposed of. As a result, the Resident Holder will generally realize a capital gain (or a capital loss) to the extent that such proceeds of disposition exceed (or are less than) the sum of the Resident Holder’s adjusted cost base of the Common Shares determined immediately before the Effective Time and any reasonable costs of disposition. See “Taxation of Capital Gains and Capital Losses” below.

Taxation of Capital Gains and Capital Losses

Generally, a Resident Holder will be required to include in computing its income for a taxation year one-half of the amount of any capital gain (a “taxable capital gain”) realized by it in that year. A Resident Holder generally is required to deduct one-half of the amount of any capital loss (an “allowable capital loss”) realized in a taxation year from taxable capital gains realized by the Resident Holder in that year. Allowable capital losses in excess of taxable capital gains for a taxation year may be carried back to any of the three preceding taxation years or carried forward to any subsequent taxation year and deducted against net taxable capital gains realized in such years, to the extent and under the circumstances specified in the ITA.

A capital loss realized on the disposition of a Common Share by a Resident Holder that is a corporation may, to the extent and under the circumstances specified by the ITA, be reduced by the amount of dividends received or deemed to have been received by the corporation on such Common Share. Similar rules may apply where shares are owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary.

A Resident Holder that is a “Canadian-controlled private corporation” (a defined in the ITA) may be required to pay an additional 6 2/3% refundable tax on certain investment income, which includes taxable capital gains. Capital gains realized by an individual including a trust, other than certain specified trusts, may give rise to alternative minimum tax under the ITA.

Dissenting Resident Holders

A Resident Holder who validly exercises Dissent Rights (a “Resident Dissenter”) and consequently is paid the fair value of the Resident Dissenter’s Common Shares by CIP Acquireco in accordance with the Arrangement will be considered to have disposed of such Common Shares and will realize a capital gain (or a capital loss) equal to the amount by which the payment (other than interest) exceeds (or is exceeded by) the sum of the Resident Holder’s adjusted cost base of the Common Shares determined immediately before the Effective Time and any reasonable costs of disposition. The Resident Dissenter will be required to include any resulting taxable capital gain in income, or be entitled to deduct any resulting allowable capital loss, in accordance with the usual rules applicable to capital gains and losses. See “Taxation of Capital Gains and Capital Losses” above. The Resident Dissenter must include in computing its income any interest awarded to it by the Court or otherwise payable to the Resident Dissenter.

Holders Not Resident in Canada

This portion of the summary generally applies to a Holder who, at all relevant times, for purposes of the application of the ITA, is not, and is not deemed to be, resident in Canada and does not use or hold, and is not deemed to use or hold, Common Shares in connection with carrying on a business in Canada (a “Non-Resident Holder”). Special rules, which are not discussed in this summary, may apply to a Holder that is an insurer carrying on an insurance business in Canada and elsewhere.

Disposition of Common Shares under the Arrangement

A Non-Resident Holder whose Common Shares are disposed of under the Arrangement will not be subject to tax under the ITA on any capital gain realized on such disposition unless the Common Shares are “taxable Canadian property” to the Non-Resident Holder for purposes of the ITA at the Effective Time and such gain is not otherwise exempt from tax under the ITA pursuant to the provisions of an applicable income tax convention.

Generally, a Common Share will not be taxable Canadian property to a Non-Resident Holder at the Effective Time provided that (i) such Common Share is listed on a prescribed stock exchange (or, if the proposals to amend the ITA in the Notice of Ways and Means Motion released by the Minister of Finance on March 19, 2007, are enacted as proposed, a designated stock exchange) (which, in both cases, currently includes the TSX) at that time, and (ii) the Non-Resident Holder, persons with whom the Non-Resident Holder does not deal at arm’s length, and the Non-Resident Holder together with all such persons, have not owned 25% or more of the issued shares of any class or series of the capital stock of Stratos, at any time within the 60 month period that ends at the Effective Time. Notwithstanding the foregoing, a Common Share may also be deemed to be taxable Canadian property to a Non-Resident Holder in certain circumstances specified in the ITA.

Even if a Common Share is taxable Canadian property to a Non-Resident Holder, any gain realized on a disposition of such share may be exempt from tax under the ITA pursuant to the provisions of an applicable income tax convention between Canada and the country in which such Non-Resident Holder is resident. Non-Resident Holders should consult their own tax advisers in this regard.

Dissenting Non-Resident Holders

A Non-Resident Holder that validly exercises Dissent Rights (a “Non-Resident Dissenter”) and consequently is paid the fair value for the Non-Resident Dissenter’s Common Shares by CIP Acquireco will be considered to have disposed of such Common Shares and realized a capital gain or capital loss as discussed above under “Holders Resident in Canada – Dissenting Resident Holders”. As discussed above under “Holders Not Resident in Canada – Disposition of Common Shares under the Arrangement”, any resulting capital gain would only be subject to tax under the ITA if the Common Shares are “taxable Canadian property” to the Non-Resident Holder

for purposes of the ITA at the Effective Time and such gain is not otherwise exempt from tax under the ITA pursuant to the provisions of an applicable income tax convention.

Canadian withholding tax will apply to any interest awarded by the Court (or otherwise payable) to a Non-Resident Dissenter that is paid or credited to the Non-Resident Dissenter. The rate of withholding tax will be 25% , or such lower rate (if any) as may apply under an applicable income tax convention, of the gross amount of the interest. CIP Acquireco will be required to withhold the required amount of withholding tax from the interest, and to remit it to CRA for the account of the Non-Resident Dissenter. Unless a Non-Resident Dissenter establishes to the satisfaction of CIP Acquireco that such Non-Resident Dissenter is entitled to a lower rate of withholding under the provisions of an applicable income tax convention or otherwise, CIP Acquireco intends to withhold at the rate of 25%.

INFORMATION CONCERNING STRATOS

Name and Incorporation

Stratos was amalgamated under the *Corporations Act* (Newfoundland) by certificate of amalgamation dated October 31, 1989 (by way of an amalgamation of ResourceCan Limited and ResourceCan Ventures Limited) and continued under the CBCA by certificate of continuance dated May 28, 1996. Pursuant to articles of amendment dated January 20, 1997, the name of the corporation was changed from ResourceCan Limited to Stratos Global Corporation.

Stratos' corporate head office is located at 6901 Rockledge Drive, Suite 900, Bethesda, Maryland, United States, 20817 and its registered office is located at 34 Harvey Road, St. John's, Newfoundland and Labrador, Canada, A1C 2G1.

COMPARATIVE MARKET PRICES OF STRATOS

The Common Shares are listed and posted for trading on the TSX under the symbol "SGB". The following tables set forth information relating to the trading of the Common Shares on the TSX for the months indicated.

<u>Month</u>	<u>High C\$</u>	<u>Low C\$</u>	<u>Volume</u>
January 2006.....	\$9.62	\$8.52	1,953,873
February 2006.....	\$10.50	\$8.10	5,646,335
March 2006.....	\$9.97	\$8.57	2,558,008
April 2006.....	\$9.19	\$8.30	2,209,317
May 2006.....	\$8.55	\$6.67	5,644,888
June 2006.....	\$7.60	\$5.57	2,620,237
July 2006.....	\$6.17	\$3.25	5,823,900
August 2006.....	\$3.99	\$2.91	2,745,537
September 2006.....	\$3.41	\$2.83	2,543,689
October 2006.....	\$4.35	\$2.60	9,279,012
November 2006.....	\$4.95	\$3.83	4,959,856
December 2006.....	\$4.78	\$4.41	881,218
January 2007.....	\$5.58	\$4.40	3,684,437
February 2007.....	\$6.05	\$4.98	6,177,660
March 2007.....	\$6.54	\$5.60	19,401,771
April 2007.....	\$6.70	\$6.38	4,705,859
May 2007 (through May 3, 2007).....	\$6.40	\$6.35	197,478

The price of the Common Shares as reported by the TSX at the close of business on March 8, 2007, the last trading day before an article in *The Globe and Mail* suggesting the possibility of a sale of Stratos, was C\$6.00. The price of the Common Shares as reported by the TSX at the close of business on March 16, 2007, the last trading day immediately before the announcement of the Arrangement, was C\$6.39.

The price of the Common Shares as reported by the TSX at the close of business on May 3, 2007 was C\$6.39.

INFORMATION CONCERNING CIP

The following information about CIP is a general summary only and is not intended to be comprehensive.

CIP is a professional investment company incorporated in 2006. The directors of CIP collectively have more than 50 years of experience as directors of and advisers to satellite services companies in both the mobile satellite and fixed satellite services sectors. CIP Acquireco is an indirect wholly-owned subsidiary of CIP.

CIP is a new investment company whose investment in Stratos will form part of a proposed portfolio of investment in the satellite sector. CIP is owned by five principals, each of whom holds a 20% equity and voting interest: Mr. Hans Lipman (a Dutch citizen and resident), Mr. Eric de Jong (a Dutch citizen and resident), Mr. Hans van Moorsel (a Dutch citizen and resident), Mr. Eric Le Proux de la Rivière (a French citizen and resident), and Mr. Victor M. Horcasitas (a dual U.S. and Mexican citizen, who currently is a resident of Spain).

INFORMATION CONCERNING INMARSAT PLC

The following information about Inmarsat plc is a general summary only and is not intended to be comprehensive. Additional information about Inmarsat plc can be found on the company website at www.inmarsat.com.

Inmarsat plc is incorporated and domiciled in England and Wales and is listed on the London Stock Exchange under the symbol "ISAT". Inmarsat plc was re-registered as a public limited company and changed its name to Inmarsat plc on May 27, 2005. The address of Inmarsat plc's registered office is 99 City Road, London, EC1Y 1AX.

Inmarsat plc is the leading provider of global mobile satellite communications. The company's services are delivered through a global network of more than 500 partners, including the world's leading telecoms groups, operating on a global basis. For the year ended December 31, 2006, Inmarsat plc had total revenue of US\$500.1 million and profit before tax of US\$89.8 million.

RISK FACTORS

In assessing the Arrangement, Shareholders should carefully consider the risks described in Stratos' Annual Information Form dated March 29, 2007 ("AIF") in respect of the year ended December 31, 2006, together with the other information contained in, or incorporated by reference in this Circular. Additional risks and uncertainties, including those currently unknown to or considered immaterial by Stratos, may also adversely affect the business of Stratos. In particular, the Arrangement and the operations of Stratos are subject to certain risks including the following risks.

Risks Related to the Arrangement

The Arrangement Agreement may be terminated by Stratos or CIP Limited and CIP Acquireco in certain circumstances, in which case the market price for Common Shares may be adversely affected.

Each of Stratos, CIP Limited and CIP Acquireco, acting jointly, has the right to terminate the Arrangement Agreement in certain circumstances. Accordingly, there is no certainty, nor can Stratos provide any assurance, that the Arrangement Agreement will not be terminated by Stratos or CIP Limited and CIP Acquireco before the completion of the Arrangement. In addition, the completion of the Arrangement is subject to a number of conditions precedent, certain of which are outside the control of Stratos or CIP Limited and CIP Acquireco, including Shareholders approving the Arrangement and obtaining required Regulatory Approvals. There is no certainty, nor can Stratos provide any assurance, that these conditions to the Arrangement will be satisfied. If for any reason the Arrangement is not completed, the market price of Common Shares may be materially adversely affected. Moreover, if the Arrangement Agreement is terminated, there is no assurance that the Board of Directors will be able to find a party willing to pay an equivalent or a more attractive price for Common Shares than the price to be paid pursuant to the terms of the Arrangement Agreement.

The funds required by CIP Acquireco and CIP Limited to complete the Arrangement may not be available under its financing arrangement with Inmarsat Finance.

The completion of the Arrangement Agreement is subject to funds being made available to CIP Acquireco under the financing arrangements between CIP Acquireco, CIP Limited and Inmarsat Finance, which arrangements are subject to certain conditions precedent to funding. If Inmarsat Finance does not satisfy the conditions under the financing arrangements then CIP Acquireco and CIP Limited will likely be unable to close. There is no certainty, nor can Stratos provide any assurance, that these conditions will be satisfied. If for any reason the Arrangement is not completed, the market price of Common Shares may be materially adversely affected. Moreover, if the Arrangement Agreement is terminated, there is no assurance that the Board of Directors will be able to find a party

willing to pay an equivalent or a more attractive price for Common Shares than the price to be paid pursuant to the terms of the Arrangement Agreement.

The completion of the Arrangement is conditional on, among other things, the receipt of consents and approvals from governmental bodies that could delay or impede completion of the Arrangement or impose conditions on the companies that could adversely affect the business or financial condition of Stratos.

Completion of the Arrangement is conditional upon receiving certain regulatory approvals, as detailed in under the heading “The Arrangement – Regulatory Matters”. Application has been made to obtain such approvals and there can be no assurance that such approvals will be granted on a timely basis, or on terms satisfactory to CIP Acquireco and CIP Limited, acting reasonably, or at all. A substantial delay in obtaining satisfactory approvals or the imposition of unfavourable terms or conditions in the Regulatory Approvals could adversely affect the business, financial condition or results of operations of Stratos or result in the Arrangement not being completed. If the Regulatory Approvals have not been obtained by September 28, 2007, and the parties to the Arrangement Agreement have not extended such deadline in accordance with the terms of the agreement, then the Arrangement Agreement will terminate (unless otherwise agreed to or extended.) If the Arrangement is not completed, the market price of Common Shares may be materially adversely affected. Moreover, if the Arrangement Agreement is terminated, there is no assurance that the Board of Directors will be able to find a party willing to pay an equivalent or a more attractive price for Common Shares than the price to be paid pursuant to the terms of the Arrangement Agreement.

Inmarsat Global’s distributors may challenge the Arrangement as a breach of the CFA and Distribution Agreements.

The Arrangement and the other transactions contemplated by the Arrangement Agreement may be challenged as being in violation of the CFA and/or other distribution arrangements between Inmarsat Global and its distributors.

The completion of the Arrangement and the other transactions contemplated by the Arrangement Agreement may be hindered, delayed or prohibited as a result of legal challenges by Inmarsat Global’s distribution partners. On the basis of valuable advice from Queen’s Counsel regarding the proposed transaction, CIP, Inmarsat plc and Stratos structured the Arrangement to avoid any violation of the CFA or the Distribution Agreements. However, given the inherent unpredictability of any litigation or arbitration process, the risk of challenge from one or more of Inmarsat Global’s distribution partners cannot be eliminated, nor can Stratos provide any definite assurance that such legal challenges can be defeated or resolved by Inmarsat plc. If the Arrangement is subject to a Prohibition Order, the Arrangement Agreement can be terminated. However, if the Arrangement Agreement is terminated, there is no assurance that the Board of Directors will be able to find a party willing to pay an equivalent or a more attractive price per Common Share than the price to be paid pursuant to the terms of the Arrangement Agreement.

If CIP Limited or CIP Acquireco breach their obligations under the Arrangement Agreement, the effectiveness of any Stratos remedy may be limited.

CIP Limited and CIP Acquireco are new investment companies whose initial investment will be (and only proposed current investment is) in Stratos. As a result, CIP Limited and CIP Acquireco have minimal assets. If CIP Limited and/or CIP Acquireco breach the Arrangement Agreement, Stratos can sue them, but there can be no assurance that CIP Limited and/or CIP Acquireco will have adequate property or assets to satisfy a judgement against them.

ADDITIONAL MATTERS TO BE ACTED UPON AT MEETING

Recognizing in part that the closing of the Arrangement is expected to occur later in the third quarter of 2007, it was determined that the annual business to be considered by shareholders of a CBCA public company should be placed before the Shareholders at the Meeting. Accordingly, set out below are the details relating to the election of directors, and the re-appointment of the Corporation’s auditors, as well as the related disclosure to be included in a management proxy circular for an annual meeting of shareholders.

Election of Directors

Under the by-laws of Stratos, directors are elected annually. Each director will hold office until the next annual meeting of Shareholders or until the successor of such director is duly elected or appointed, unless such office is earlier vacated.

Shareholders are permitted to vote for the slate of nominees to the Board as set out below, or, alternatively, to withhold their vote from individual nominees. **In the absence of a contrary instruction, the persons designated by management of Stratos in the enclosed form of proxy (printed on blue paper) intend to vote proxies received by Stratos in favour of the resolution electing as directors the nominees whose names are set forth below, each of whom has been a director since the date indicated opposite his or her name.** Management does not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the Common Shares represented by proxies received in favour of management nominees will be voted in accordance with the discretion of such nominees.

The following table sets forth information with respect to each person proposed to be nominated for election as a director, including the number of Common Shares owned beneficially, directly or indirectly, or over which control or direction was exercised by such person and the number of deferred share units held by such person pursuant to Stratos' Deferred Share Unit Plan (the "DSU Plan"). (See "Compensation of Directors" for a description of the DSU Plan.) The information as to shares beneficially owned or over which control or direction was exercised, not being within the knowledge of Stratos, has been furnished by the respective proposed nominees individually.

Nominee	Director Since	Deferred Share Units Granted as of March 31, 2007	Common Shares Beneficially Owned, Directed or Controlled as of March 31, 2007	Common Shares Underlying Stock Options Exercisable as of March 31, 2007
Michael J. Bayer ⁽³⁾ District of Columbia, United States of America Consultant	2006	9,122	--	--
Charles W. Bissegger Quebec, Canada Corporate Director	1998	38,365	24,000	55,000
Josef J. Fridman ⁽¹⁾ Florida, United States of America Corporate Director	2000	26,180	5,000	33,000
John M. Green ⁽²⁾ Newfoundland & Labrador, Canada Partner, McInnes Cooper (law firm)	1999	25,909	3,000	33,000
Janice I. Obuchowski ⁽³⁾⁽⁴⁾ Virginia, United States of America. President, Freedom Technologies, Inc. (a communications research and consulting company).	2001	22,737	3,100	20,000
David R. Oliver, Jr. ⁽³⁾ Virginia, United States of America Chief Executive Officer EADS North America Defense Company	2001	23,289	4,000	20,000
James J. Parm Maryland, United States of America President and Chief Executive Officer of Stratos	2003	--	10,225	364,167
Edward Reevey ⁽¹⁾ New Brunswick, Canada Chairman and Chief Executive Officer, Eedda Capital Inc.	2003	23,878	3,000	--
Frank L. Salizzoni ⁽¹⁾ Florida, United States of America Corporate Director	2004	20,701	--	--
Robert Walmsley ⁽²⁾⁽⁵⁾ London, United Kingdom Corporate Director	2006	9,122	--	--
Charles W. White ⁽²⁾ Newfoundland & Labrador, Canada Lawyer, White, Ottenheimer & Baker (law firm)	2003	20,462	3,000	--

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Corporate Governance Committee.
- (3) Member of the Compensation Committee.
- (4) Ms. Obuchowski was a director and officer of NextWave Telecom, Inc. until June of 1998. On December 23, 1998, NextWave Telecom, Inc. filed for protection under Chapter 11 of the *United States Bankruptcy Code*.
- (5) Sir Robert Walmsley was appointed to the Board of Directors of British Energy Group plc in August 2003, subsequent to the company's announcement of a proposed restructuring plan in November 2002 and an agreement in principle on the terms of its restructuring with its creditors in February 2003. In October 2003, British Energy Group plc announced that it finalized an agreement with its creditors as to the terms of the financial restructuring. In January 2005, following shareholder and regulatory approval, the restructuring of British Energy Group plc was completed.

Re-Appointment of Auditors

The Board of Directors of Stratos has proposed, following the recommendations of the Audit Committee of the Board of Directors, that Ernst & Young LLP, Chartered Accountants, be re-appointed as auditors of Stratos to hold office until the next annual meeting of Shareholders or until a successor is appointed, at a remuneration to be fixed by the Board of Directors. **In the absence of a contrary instruction, the persons designated by management of Stratos in the enclosed form of proxy intend to vote proxies received by Stratos in favour of the resolution re-appointing Ernst & Young LLP, Chartered Accountants, as auditors of Stratos to hold office until the next annual meeting of Shareholders and to authorize the Board of Directors to fix their remuneration.**

REPORT OF THE COMPENSATION COMMITTEE ON EXECUTIVE COMPENSATION

Composition of the Compensation Committee

As at December 31, 2006, the Compensation Committee was composed of the following persons, all of whom are unrelated and independent directors:

Janice I. Obuchowski (Chair of the Compensation Committee)
Michael J. Bayer
David R. Oliver, Jr.
Stephen G. Wetmore

The Compensation Committee met 4 times in fiscal 2006.

Mandate of the Compensation Committee

The Board of Directors has established a Compensation Committee which is responsible for determining and administering compensation for Stratos' executives. In accordance with the Compensation Committee's charter, the Compensation Committee is responsible for:

- overseeing the establishment of a broad plan of executive compensation that is competitive and linked to the performance and shareholder value in order to attract, hold, incentivize and motivate the executives and other key employees;
- annually reviewing the performance of each key senior executive officer and recommending and administering individual executive compensation and executive changes for approval by the Board of Directors; and
- overseeing the establishment of a plan of continuity for executives and other key employees of Stratos and its subsidiaries.

The Compensation Committee's charter was updated in early 2007 to reflect recent developments. The full text of the Compensation Committee's charter is set out in Stratos' AIF dated March 29, 2007 filed on SEDAR at www.sedar.com and incorporated herein by reference.

Compensation Philosophy

The Stratos executive compensation program reflects Stratos' desire to remunerate its executives at a level commensurate with Stratos' financial performance and market rates for executives with similar levels of responsibility at similarly sized companies in comparable industries. The overall objectives of Stratos' executive compensation strategy include:

- attracting and retaining superior executive talent by offering competitive compensation;
- motivating performance through incentive compensation linked to the attainment of specific business performance indicators; and
- encouraging commitment to Stratos and identification with shareholder interests through the judicious use of equity-based incentives.

Executive compensation is composed of four elements: (i) base salary, (ii) short-term incentive payments, (iii) long-term incentive payments and (iv) benefits. In combination, these elements are designed to recognize those activities of senior management that advance the short and long-term business objectives of Stratos.

In recognition of the importance of business and shareholder returns over the longer term, a significant portion of executive compensation is structured as pay for performance or at risk compensation. The current compensation weighting for the Chief Executive Officer is approximately 25% base salary and 75% pay for performance or at risk compensation. The current compensation weighting for other executives is approximately 40% base salary and 60% pay for performance or at risk compensation.

From time to time, Stratos, under the direction of the Compensation Committee, conducts a compensation review for its executives and in the course of completing this review has access to independent advisers. Each executive's base salary, short-term incentives, long-term incentives and benefits are compared to the compensation of such executive's benchmarked position in the comparable group. Separately, the Compensation Committee has ongoing access to formal executive performance reviews.

Base Salary

Base salary levels are determined by evaluating: (i) individual factors, such as the role, level of responsibility and contribution of each executive; (ii) market factors, through the benchmarking process described above; and (iii) Stratos' financial performance. Executive compensation is set at rates that seek to be competitive within the national market in which the executive resides, with base salaries targeting the median rate for the benchmarked positions. Base salary levels are adjusted from time to time relative to such market factors and Stratos' financial performance. In 2006, no adjustments were made to base salary from the prior year for Stratos' executives and, similarly, in 2007, no base salary adjustments will occur for such executives.

Short-Term Incentive Plan

Short-term incentive plan ("STIP") payments to executives are based (i) 75% on the achievement by Stratos of its financial targets, and (ii) 25% on the achievement of specific personal objectives. If the targets are met, executives receive STIP payments based upon a prescribed percentage of their respective annual salaries (currently ranging from 50-100%) for the financial and personal components combined. All STIP payments are made in cash.

The Stratos' STIP has been designed to target the 75th percentile relative to benchmarks at comparable companies, enabling executives to earn above median rates for exceptional performance. The policy's objective is to incentivize employees to continue to financially outperform Stratos' competitors and the industry in which Stratos operates.

For 2006, the STIP financial targets were based on the following components, as recommended by the Compensation Committee and approved by the Board of Directors: (i) revenue 1/4, (ii) segmented earnings 1/2, and (iii) earnings per share 1/4. Payments to executives based on achievement of financial targets are determined by reference to Stratos' audited financial statements. No payment relative to the financial targets is made if the minimum targets are not met. On an annual basis, the Compensation Committee reviews, approves and recommends to the Board of Directors STIP personal performance targets for each eligible executive. Payments to executives based on achievement of personal objectives are determined from the results relative to their predetermined personal targets through individual performance reviews. In fiscal 2006, executives earned between 20-37.5% of their annual salary for the personal performance component of the STIP.

Long-Term Incentive Plan

Long-term incentives for executives are designed to align the immediate and long-term actions of the executives with the long-term interests of Shareholders. Stratos' long-term incentive plan ("LTIP") is composed of two components: (i) stock options, and (ii) performance share units ("PSUs"). Stratos' LTIP program has been designed to target the median relative to benchmarked comparable companies. Guidelines, stated as a percentage of base salary, are set for individual executive positions. In granting long-term incentives to individual executives, the contribution of each executive as well as current market conditions are also taken into account.

Stratos Option Plan

Stratos grants stock options and tandem stock appreciation rights ("SARs") under the Stratos Option Plan as an effective way to align the interests of management and Shareholders. The Stratos Option Plan is intended to further management's commitment to growing Stratos and enhancing shareholder value through consistent improvement in net earnings and return on Shareholders' equity. For a description of the material terms of the Stratos Option Plan, see "Executive Compensation – Stratos Option Plan" below.

Performance Share Unit Plan

Effective February 17, 2005, Stratos established a Performance Share Unit Plan (the "PSU Plan") as an additional mechanism to focus management on creating shareholder value. In accordance with the PSU Plan, the Board of Directors establishes multi-year specific targets for revenue, free cash flow and synergies from acquisitions, which, if realized, would be expected to result in significant enhancement of shareholder value. If Stratos achieves such targets, employees to whom PSUs have been granted will receive Common Shares or a cash payment equal to the fair market value of such Common Shares, subject to time vesting of the PSUs. If Stratos does not achieve such targets, the PSUs will be cancelled. The PSU Plan supports two objectives of Stratos' compensation philosophy by encouraging executive retention and by linking compensation to specific performance indicators. For additional details on the PSU Plan, see "Executive Compensation – PSU Plan" below.

Benefits

Stratos does not offer unique or specific pension or benefit programs to executives but executives can participate in defined contribution plans (including RRSP contributions) on the same basis as any other employee of Stratos.

Senior Executive Share Retention Policy

Stratos has a share retention policy that requires certain executive officers to own a minimum number of Common Shares. The minimum ownership thresholds are established by the Board of Directors. The top threshold is fixed for the Chief Executive Officer and separate declining thresholds are set for other executive positions. To facilitate an executive's ability to meet the minimum ownership threshold, Stratos has adopted a policy that 50% of the after-tax gain obtained on the exercise of stock options (including SARs) by such executive or 50% of any Common Shares (or the cash equivalent thereof) acquired by the executive pursuant to performance share units must be retained in the form of Common Shares, unless the executive's Common Share ownership equals or exceeds the minimum ownership threshold. The share retention program applies to stock options or SARs granted to executives under the Stratos Option Plan after March 3, 2004. The purpose of the share retention program is to ensure that specified executive officers acquire an equity ownership interest in Stratos, thereby aligning their interests with those of Stratos' Shareholders.

Share Ownership

The following table sets forth the number of Common Shares which are beneficially owned or over which control or direction was exercised by each of the Named Executive Officers (as defined below) as at March 31, 2007 and the number of PSUs granted to each of the Named Executive Officers as at March 31, 2007:

Name and Principal Position	Common Shares Beneficially Owned, Directed or Controlled as of March 31, 2007 ⁽¹⁾	Performance Share Units Granted as of March 31, 2007
James J. Parm President and Chief Executive Officer	10,225	144,300

Name and Principal Position	Common Shares Beneficially Owned, Directed or Controlled as of March 31, 2007 ⁽¹⁾	Performance Share Units Granted as of March 31, 2007
Alfred C. Giammarino Executive Vice President and Chief Financial Officer	Nil	32,100
Richard E. Harris Senior Vice President, Chief Legal Officer and Corporate Secretary	Nil	25,800
David J. Oake Executive Vice President Corporate Development	5,400	24,900
John M. Mackey Senior Vice President and Chief Technical Officer	Nil	20,300

Note:

- (1) For information regarding the option ownership for the Named Executive Officers, see the tables at page 47.

Termination Agreements

The employment agreements of the Named Executive Officers provide for certain payments to be made to such officers in the event of termination.

Termination Without Cause

In the event of termination of employment without cause, each of Messrs. Giammarino and Harris is to receive his monthly gross base salary and 1/12 of his target STIP payment, each month for a period of up to 12 months, subject to adjustment in the event of commencement of alternate employment. In the event of termination of employment without cause, each of Messrs. Oake and Mackey is to receive, at the time of termination, a lump sum severance payment of one time his annual gross base salary and target STIP.

In the event of termination of employment without cause or termination of employment for “good reason” (as defined in the employment agreement), Mr. Parm is to receive, at the time of termination, a lump sum severance payment of two times his annual gross base salary and target STIP. These payments are in addition to any gross base salary and a pro rata portion of target STIP owing through the date of termination.

Each Named Executive Officer is also granted immediate vesting of a pro rata portion of options granted to him that were scheduled to vest within one year of the date of notice of termination or, in the case of Messrs. Oake and Mackey, a pro rata vesting of those options granted to him in 2001 and 2000, respectively.

Each employment agreement also provides continued group medical and life insurance coverage (subject to certain exceptions). For Messrs. Giammarino, Harris, Oake and Mackey, such benefit coverage continues until the earlier of one year from the notice of termination and the commencement of alternate employment. For Mr. Parm, such benefit coverage continues until the earlier of two years from the date of his termination and his commencement of alternate employment.

Termination – Change of Control

The employment agreements of the Named Executive Officers provide for certain payments and benefits, in lieu of the payments described in “Termination Without Cause” above, in the case of termination without cause within three years of a change of control of Stratos (or, in case of Messrs. Oake and Mackey, within two years of a change of control of Stratos). Such payments and benefits are also to be made to Messrs. Giammarino and Harris, if, subsequent to a change of control, either is demoted, relocated outside of the Washington, D.C. area, or is required to report to a person other than the President or Chief Executive Officer.

Should the circumstances outlined above occur, each Named Executive Officer is to receive, at the time of termination, a lump sum payment ranging from 1.5 – 2.5 times annual gross base salary and STIP payment (Messrs. Harris, Oake and Mackey receive 1.5 times, Mr. Giammarino receives 2 times and Mr. Parm receives 2.5 times).

These payments are in addition to any gross base salary and a pro rata portion of target STIP owing through the date of termination or any retention payments to Named Executive Officers related to the completion of the Arrangement. All unvested options held by a Named Executive Officer are to vest immediately upon termination.

Each employment agreement also provides continued group medical and life insurance coverage (subject to certain exceptions). For Messrs. Harris, Oake and Mackey, such benefit coverage continues until the earlier of 1.5 years from the notice of termination and the commencement of alternate employment. For Mr. Giammarino, such benefit coverage continues until the earlier of two years from the date of his termination and his commencement of alternate employment. For Mr. Parm, such benefits continue for a period of 2.5 years.

President and Chief Executive Officer Compensation

The President and Chief Executive Officer compensation package is considered and determined by the Compensation Committee. The aggregate compensation of the President and Chief Executive Officer consists of three components: base salary, short-term incentive payments and long-term incentive payments. The current mix of these three elements is approximately 25%, 25% and 50%, respectively. As a result, a significant portion of the President and Chief Executive Officer's annual compensation is pay for performance or at risk compensation and the Compensation Committee intends to retain a significant portion of at risk compensation on a going-forward basis.

Salary – The approach to determining the base salary of the President and Chief Executive Officer is described under “Report of the Compensation Committee on Executive Compensation – Base Salary”. For fiscal 2006, the President and Chief Executive Officer's base salary was US\$418,000.

Short-term Incentive Plan Payments – The President and Chief Executive Officer's target annual STIP payment is 100% of base salary for target performance. The calculation of the STIP payment is described under “Report of the Compensation Committee on Executive Compensation – Short-Term Incentive Plan”. For fiscal 2006, the President and Chief Executive Officer's short-term incentive payment was 70% of salary which was paid for the achievement of financial targets and pre-determined personal objectives.

Long-term or Equity-Based Incentive Payments – The long-term incentive plan is described under “Report of the Compensation Committee on Executive Compensation – Long-Term Incentive Plan”. In fiscal 2006, the President and Chief Executive Officer was granted 112,700 stock options/SARs at an exercise price of US\$8.16.

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth information regarding compensation for the fiscal years ended December 31, 2006, December 31, 2005 and December 31, 2004, paid to the Chief Executive Officer, the Chief Financial Officer and the three other most highly compensated executive officers of Stratos who were serving as executive officers at the end of the financial year ended December 31, 2006 (collectively, the “Named Executive Officers”).

Name and Principal Position	Year	Annual Compensation			Long Term Compensation	
		Salary ⁽⁵⁾ (US\$)	Bonus ⁽⁶⁾ (US\$)	Other Annual Compensation ⁽⁷⁾ (US\$)	Awards	All Other Compensation ⁽⁸⁾ (US\$)
James J. Parm ⁽¹⁾ President and Chief Executive Officer	2006	418,000	290,625	-	112,700	11,000
	2005	414,300	130,625	-	53,000	10,500
	2004	385,346	172,302	-	240,000	10,250
Alfred C. Giammarino ⁽²⁾ Executive Vice President and Chief Financial Officer	2006	265,000	119,760	-	25,100	11,000
	2005	260,731	53,829	-	19,125	10,500
	2004	153,846	56,719	-	60,000	158,774
Richard E. Harris ⁽³⁾ Senior Vice President, Chief Legal Officer and Corporate Secretary	2006	230,000	90,890	-	20,200	11,000
	2005	228,577	35,938	-	10,300	10,500
	2004	82,212	25,175	-	46,000	3,894

Name and Principal Position	Year	Annual Compensation			Long Term Compensation	
		Salary ⁽⁵⁾ (US\$)	Bonus ⁽⁶⁾ (US\$)	Other Annual Compensation ⁽⁷⁾ (US\$)	Awards	All Other Compensation ⁽⁸⁾ (US\$)
					Securities Under Options/ SARs Granted	
David J. Oake ⁽⁴⁾ Executive Vice President Corporate Development	2006	228,218	95,206	-	18,600	15,502
	2005	227,352	42,920	-	-	14,253
	2004	210,803	71,802	-	10,000	12,674
John M. Mackey Senior Vice President and Chief Technical Officer	2006	225,000	92,280	-	6,800	433
	2005	204,865	25,313	-	5,820	8,676
	2004	157,469	46,794	-	29,000	12,674

Notes:

- (1) Mr. Parm was appointed as President and Chief Executive Officer of Stratos on September 11, 2003. Mr. Parm became an officer of Stratos on April 1, 2000, when he was appointed the Chief Operating Officer.
- (2) Mr. Giammarino was appointed Executive Vice President and Chief Financial Officer on May 10, 2004. For fiscal 2004, Mr. Giammarino's salary reflects the amount paid for the period from May 10, 2004 to December 31, 2004.
- (3) Mr. Harris was appointed Senior Vice President, Chief Legal Officer and Corporate Secretary on August 9, 2004. For fiscal 2004, Mr. Harris's salary reflects the amount paid for the period from August 9, 2004 to December 31, 2004.
- (4) All of the compensation to Mr. Oake has been paid in Canadian dollars, which amounts have been converted to United States dollars at the prevailing exchange rate at December 31, 2006, December 31, 2005 and December 31, 2004, respectively.
- (5) Each Named Executive Officer entered into an employment agreement at the time he became an officer of Stratos. Each such employment agreement provides for a base salary, which may be adjusted on an annual basis by the Board of Directors based on market rates.
- (6) The employment agreement for each Named Executive Officer provides for a target short-term incentive payment as a percentage of base salary. This target amount is subject to adjustment by the Board of Directors. In fiscal 2006, target percentages were set as follows: James J. Parm – 100% of base salary; Alfred G. Giammarino – 65% of base salary; Richard E. Harris – 50% of base salary; David J. Oake – 60% of base salary; and John M. Mackey – 50% of base salary.
- (7) Perquisites and other personal benefits, securities or property granted to each Named Executive Officer were less than C\$50,000 and 10 per cent of the total annual salary and bonus of each Named Executive Officer for each financial year.
- (8) All other compensation includes payments to a Group RRSP and payments in lieu of pension and 401K contributions. In fiscal 2004, Mr. Giammarino received reimbursement for moving expenses and 401K contributions.

Option/SAR Grants

The following table sets out information concerning grants options to purchase or acquire Common Shares and SARs during the financial year ended December 31, 2006 to the Named Executive Officers.

Option/SAR Grants During the Fiscal Year Ended December 31, 2006

Name	Common Shares Under Options/SARs Granted (#)	% of Total Options/SARs Granted to Employees in Financial Year ⁽¹⁾	Exercise or Base Price (US\$/Share) ⁽²⁾⁽³⁾	Market Value of Common Shares Underlying Options/SARs on the Date of Grant (US\$/Share) ⁽²⁾⁽³⁾	Expiration Date ⁽⁴⁾
James J. Parm President and Chief Executive Officer	112,700	45.76%	8.16	8.16	March 16, 2013
Alfred C. Giammarino Executive Vice President and Chief Financial Officer	25,100	10.19%	8.16	8.16	March 16, 2013
Richard E. Harris Senior Vice President, Chief Legal Officer and Corporate Secretary	20,200	8.20%	8.16	8.16	March 16, 2013
David J. Oake Executive Vice President Corporate Development	18,600	7.55%	9.41	9.41	March 16, 2013
John M. Mackey Senior Vice President and Chief Technical Officer	6,800	2.76%	8.16	8.16	March 16, 2013

Notes:

- (1) In the financial year ended December 31, 2006, Stratos granted options under the Stratos Option Plan to acquire 236,200 Common Shares. All such options have SARs attached.
- (2) The exercise price and market value amounts for options whose exercise price is denominated in Canadian dollars have been converted to US dollars at the prevailing exchange rate as at December 31, 2006. All options granted in 2006 for the Named Executive Officers were denominated in US dollars.
- (3) The exercise price and market value of Common Shares underlying the options/SARs on the date of grant was determined based on the weighted average of the prices at which the Common Shares traded on the TSX for the five trading days immediately preceding the date of grant.
- (4) The options and SARs granted to the Named Executive Officers vest annually in equal increments over a period of three years from the date of grant.

Aggregated Option/SAR Exercises During the Fiscal Year Ended December 31, 2006 and Option/SAR Values as at December 31, 2006

The following table sets forth the number of options and SARs exercised during the fiscal year ended December 31, 2006 and the number of exercisable/unexercisable options and SARs held as at December 31, 2006 by the Named Executive Officers:

Name and Principal Position	Common Shares Acquired on Exercise (#)	Aggregate Value Realized (US\$)	Number of Unexercised Options/SARs at December 31, 2006		Value of Unexercised in-the-Money Options/SARs at December 31, 2006 ⁽¹⁾	
			Exercisable (#)	Unexercisable (#)	Exercisable (US\$)	Unexercisable (US\$)
James J. Parm President and Chief Executive Officer	1,003	8,399	364,167	228,033	-	-
Alfred C. Giammarino, Executive Vice President and Chief Financial Officer	-	-	46,375	57,850	-	-
Richard E. Harris Senior Vice President, Chief Legal Officer and Corporate Secretary	-	-	34,100	42,400	-	-
David J. Oake Executive Vice President Corporate Development	-	-	156,667	31,933	-	-
John M. Mackey Senior Vice President and Chief Technical Officer	-	-	127,700	28,700	-	-

Note:

- (1) Based on the closing price of Common Shares on the TSX on December 29, 2006 of C\$4.52 and converted to United States dollars at the prevailing exchange rate at December 31, 2006.

Equity Compensation Plan Information as at December 31, 2006

Plan Category	Number of Common Shares to be Issued upon Exercise of Outstanding Options, Warrants and Rights (#) (a)	Weighted – Average Exercise Price of Outstanding Options, Warrants and Rights (US\$/Share) (b)	Number of Common Shares Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in column (a)) (#)
Equity Compensation Plans approved by securityholders	1,849,290	9.84	1,170,456
Equity Compensation Plans not approved by securityholders	-	-	-
Total	1,849,290	9.84	1,170,456

The total number of Common Shares issuable on March 31, 2007 in connection with outstanding, unexercised option grants under the Stratos Option Plan was 1,812,495, which Common Shares represent, in the

aggregate, 4.3% of the total number of outstanding Common Shares. Of the 1,812,495 outstanding unexercised options as at March 31, 2007, options to purchase 1,414,143 Common Shares were fully vested, with 398,352 remaining unvested. At March 31, 2007, 1,207,251 Common Shares remain available for grant under the Stratos Option Plan.

Stratos Option Plan

The Stratos Option Plan was amended and restated on May 17, 2001 with the approval of Shareholders. On May 13, 2004, the Stratos Option Plan was subsequently amended with the approval of Shareholders to increase the maximum number of shares authorized for issuance under the Stratos Option Plan to 5,500,000 Common Shares and to authorize the grant of tandem SARs.

Employees, directors, officers and certain consultants of Stratos or any subsidiary of Stratos are eligible to participate in the Stratos Option Plan. The maximum number of Common Shares which may be reserved for issuance to any one person under the Stratos Option Plan is 5% of the Common Shares outstanding at the time of the grant (on a non-diluted basis) less the aggregate number of Common Shares reserved for issuance to such person under any other share compensation arrangement. The maximum aggregate number of Common Shares which may be issued to insiders (as defined by the *Securities Act* (Ontario)) under the Stratos Option Plan is (i) 10% of the Common Shares outstanding at the time of grant (on a non-diluted basis) less the aggregate number of Common Shares reserved for issuance to insiders under any other share compensation arrangement, and (ii) within any one year period 10% of the Common Shares outstanding at the time of grant (on a non-diluted basis), excluding Common Shares issued under any share compensation arrangement over the preceding one-year period. The maximum number of Common Shares which may be issued to any one insider under the Stratos Option Plan within a one-year period is 5% of the Common Shares outstanding at the time of grant (on a non-diluted basis), excluding Common Shares issued to such insider under any share compensation arrangement over the preceding one-year period.

The Board of Directors establishes the option price at the time each option is granted, which cannot be less than the fair market value of the Common Shares covered by such option at the date of the grant. The fair market value of the Common Shares is calculated using the weighted average of the prices at which the Common Shares traded on the Toronto Stock Exchange (the "TSX") for the five trading days immediately preceding the date of grant of the option. The Board may make an appropriate adjustment in the option price if there is a change in the outstanding Common Shares by reason of any stock dividend or split, recapitalization, amalgamation, consolidation, combination or exchange of shares, or other corporate change. An optionee is entitled to exercise options following each applicable vesting date, as stated in the option agreement, until the expiry date, which cannot be longer than 10 years from the date of grant, subject to the terms of the Stratos Option Plan.

In addition, the Stratos Option Plan provides for the grant of SARs in connection with options granted under the Stratos Option Plan, at or after the time of grant of such options. A SAR entitles the participant to receive from Stratos an amount equal to the excess of the fair market value of a Common Share over the exercise price of the related option, which amount is payable, at the discretion of the Board of Directors, in cash or Common Shares. In the event the participant elects to exercise the SAR, the related option is cancelled. The fair market value of a Common Share is equal to the weighted average of the prices at which the Common Shares traded on the TSX for the five trading days immediately preceding the date of exercise of the SAR. As of February 17, 2005, Stratos has attached a SAR to each outstanding option granted under the Stratos Option Plan.

Except as otherwise determined by the Board, (i) if an individual ceases to be an eligible participant in the Stratos Option Plan for any reason (including dismissal with or without cause) other than death, each option held by such individual will cease to be exercisable 60 days after the date the individual ceased to be an eligible participant, and (ii) if a participant dies, the legal representative of such individual may exercise such participant's options within six months after the date of the participant's death, but only to the extent the options were by their terms exercisable on the date of death. Options granted pursuant to the Stratos Option Plan are not assignable.

The Board of Directors may amend, suspend or terminate the Stratos Option Plan at any time in accordance with applicable legislation and subject to any required approval. No such amendment, suspension or termination shall alter or impair any options or rights granted previously without the consent of the individuals affected by such amendment, suspension or termination.

PSU Plan

The PSU Plan provides for the grant of PSUs to eligible employees in such number and at such times as the Board of Directors may determine. Each grant is to be evidenced by a written grant agreement, which outlines the

specific performance targets to be met as established by the Board of Directors. Under the PSU Plan, each PSU gives the holder the right to receive, once the performance criteria set forth in the applicable grant agreement have been met and the PSUs have vested (generally, such vesting period is two years), one Common Share or, in the board's discretion, a cash payment equal to the fair market value of one Common Share.

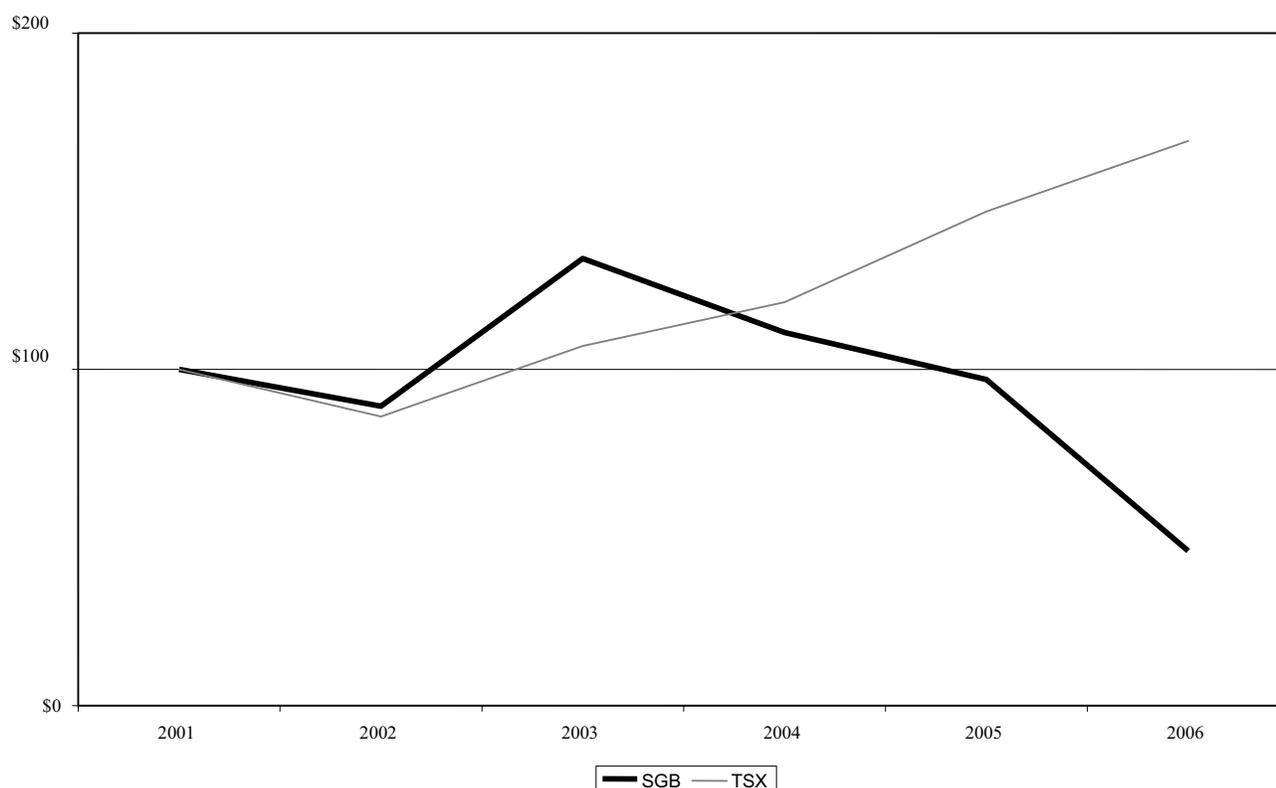
Assuming the consummation of the Arrangement, it is the current intention of Stratos to make any payments to holders of PSUs in cash rather than Common Shares. As a result, Stratos does not currently intend to issue any Common Shares from treasury pursuant to the PSU Plan.

In February 2005, the Board authorized the grant of PSUs to certain executives, subject to the execution of a grant agreement with such executives. If Stratos achieves financial and other performance targets as set out in each grant agreement (see "Report of the Compensation Committee on Executive Compensation – Long-Term Incentive Plan – Performance Share Unit Plan"), the executive's PSUs will vest on the second year anniversary of the date on which such targets are met. The performance targets that were established were recommended by the Compensation Committee and approved by the Board.

Performance Graph

The following graph compares the yearly percentage change in Stratos' cumulative total shareholder return on Common Shares during the period from December 31, 2001 to December 31, 2006 with the cumulative return of the S&P/TSX Composite Index (the "TSX Index") during the same period. The graph illustrates the cumulative return on a C\$100 investment in Common Shares made on December 31, 2001 as compared with the cumulative return on a C\$100 investment in the TSX Index made on December 31, 2001. The price performance of Common Shares as shown in the graph does not necessarily indicate future price performance.

Price Performance



	Dec. 31, 2001	Dec. 31, 2002	Dec. 31, 2003	Dec. 31, 2004	Dec. 31, 2005	Dec. 31, 2006
Stratos	100	89	133	111	97	46
TSX Index	100	86	107	120	147	168

COMPENSATION OF DIRECTORS

Based on his or her position on the Board of Directors, each director is paid a flat annual fee, payable quarterly, at least 50% of which is currently payable in deferred share units. For any committee participation beyond Stratos' existing Audit, Corporate Governance and Compensation Committees (such as the Special Committee), directors are paid a flat fee of US\$1,500 per meeting. A director who is also an officer or employee of Stratos (currently, James J. Parm) is not paid any amount for serving as a director of Stratos. Directors are no longer granted options to purchase Common Shares.

The DSU Plan provides for a deferral of the payment to a director of all or a portion of his or her director's fees payable during the year, until the director ceases to be a director of Stratos. The amount of the deferred payment made at that time will appreciate (or depreciate) with increases (or decreases) in the market price of the Common Shares in the manner described below. Given that the DSU Plan does not provide for the issuance of Common Shares, the DSU Plan has no dilutive effect for Shareholders, but promotes the alignment of interests between directors and shareholders of Stratos. In addition, the DSU Plan allows directors to participate in the long-term success of Stratos, provides a compensation system for directors that is reflective of the responsibility, commitment and risk accompanying Board membership and assists Stratos to attract and retain individuals with the experience and ability to act as directors.

As outlined above, under the DSU Plan, directors are required to receive a portion (currently 50%) of their applicable total directors' fees in deferred share units. The number of each director's deferred share units, and the ratio between deferred share units and the director's annual retainer, will therefore grow over time. The number of deferred share units granted quarterly is determined by dividing the monetary value of deferred compensation by the five-day average closing price on the TSX of the Common Shares prior to the date the directors' fees are paid. In addition, directors may elect to receive any percentage of the balance of their directors' fees in deferred share units. The deferred share units vest immediately upon issue to the directors.

A director's deferred share units will be redeemed when the director ceases to be a director of Stratos. On redemption, the director will receive a lump sum cash payment, based on the value of a deferred share unit at that time determined by reference to the five-day average closing price of Common Shares on the TSX.

The following table summarizes the annual Board retainer applicable to all directors except members of management of Stratos:

Position	Cash Portion of Fee (US\$)	Mandatory Deferred Share Unit Contribution (US\$)	Total (US\$)
Chair of the Board of Directors	75,000	75,000	150,000
Chair of the Audit Committee	55,000	55,000	110,000
Chair of the Compensation Committee or Corporate Governance Committee	50,000	50,000	100,000
Director that is on the Audit Committee (other than the Audit Committee Chair)	45,000	45,000	90,000
Director that is not a Chair and on one Committee (other than the Audit Committee)	40,000	40,000	80,000
Fee for each additional Committee	3,500	3,500	7,000

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There are no loans to directors or executive officers.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The directors and officers of Stratos are covered by liability insurance in the amount of US\$50,000,000 purchased for the protection of all the directors and officers of Stratos and its subsidiary companies against liability incurred by them in their capacity as directors and officers. As of January 1, 2007, Stratos has a total of US\$50,000,000 limit per loss/annual aggregate of coverage for directors, officers and employees as a group. The annual premium paid by Stratos for the current liability insurance coverage is US\$347,650. There is no insurance coverage in any case in which Stratos is not permitted by law to reimburse the director or officer. Where Stratos is

permitted to reimburse the insured, the deductible for Stratos is US\$250,000 for each loss. Each director and senior officer of the Corporation has an indemnity agreement with the Corporation as permitted by applicable law.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Set out below is a description of Stratos' approach to corporate governance in relation to the guidelines set out in National Policy 58-201 – *Corporate Governance Guidelines*.

The Board of Directors

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (the “National Instrument”) defines an “independent director” as a director who has no direct or indirect material relationship with Stratos. A “material relationship” is in turn defined as a relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with such member’s independent judgment. In determining whether a particular director is an “independent director” or a “non-independent director”, the Board of Directors considers the factual circumstances of each director in the context of the guidelines.

The Board is currently composed of twelve members. As at December 31, 2006, all directors, with the exception of James J. Parm, were determined to be independent. As a result, a majority of Stratos’ directors were “independent” within the meaning of the National Instrument. As the President and Chief Executive Officer of Stratos, James J. Parm has a material relationship with Stratos and therefore is not independent.

The Chair of the Board, Charles W. Bissegger, is an independent director. The responsibilities of the Chair are outlined in the Board Mandate attached hereto as Appendix “J”.

The Board of Directors meets regularly without non-independent directors and members of management. Since the beginning of fiscal 2006, the Board has held 21 meetings that included a component attended solely by independent directors.

Each of the Board of Directors and the Committees has been actively involved in the on-going affairs of Stratos. The following tables summarize the Board and Committee meetings held since the beginning of fiscal 2006 as well as individual director attendance.

Summary of Board of Directors and Committee Meetings

Board of Directors or Committee	Number of meetings held during the financial year ended December 31, 2006	Number of meetings held from January 1, 2007 until April 17, 2007	Total number of meetings
Board of Directors	16	6	22
Audit Committee	11	3	14
Corporate Governance Committee	5	2	7
Compensation Committee	4	3	7

Summary of Board Meeting Attendance

Director	Board meetings attended during the financial year ended December 31, 2006	Board meetings attended from January 1, 2007 until April 17, 2007	Total Board meetings attended
Michael J. Bayer ⁽¹⁾	11 of 12	5 of 6	16 of 18
Charles W. Bissegger	16 of 16	6 of 6	22 of 22
Josef J. Fridman	16 of 16	6 of 6	22 of 22
John M. Green	16 of 16	6 of 6	22 of 22
Janice I. Obuchowski	14 of 16	6 of 6	20 of 22
David R. Oliver, Jr.	13 of 16	5 of 6	18 of 22
James J. Parm	16 of 16	6 of 6	22 of 22
Edward Reevey	15 of 16	6 of 6	21 of 22
Frank L. Salizzoni	14 of 16	6 of 6	20 of 22
Robert Walmsley ⁽¹⁾	9 of 12	5 of 6	14 of 18

Director	Board meetings attended during the financial year ended December 31, 2006	Board meetings attended from January 1, 2007 until April 17, 2007	Total Board meetings attended
Stephen G. Wetmore	9 of 16	4 of 6	13 of 22
Charles W. White	16 of 16	6 of 6	22 of 22

Note:

- (1) Mr. Bayer's and Mr. Walmsley's attendance is based on those meetings of the Board of Directors held after their election as director on May 11, 2006.

Summary of Committee Meeting Attendance

Director	Committee meetings attended during the financial year ended December 31, 2006	Committee meetings attended from January 1, 2007 until April 17, 2007	Total Committee meetings attended
Michael J. Bayer	3 of 3	3 of 3	6 of 6
Charles W. Bissegger ⁽¹⁾	3 of 3	6 of 6	9 of 9
Josef J. Fridman	11 of 11	3 of 3	14 of 14
John M. Green	5 of 5	2 of 2	7 of 7
Janice I. Obuchowski	3 of 4	3 of 3	6 of 7
David R. Oliver, Jr.	4 of 4	2 of 3	6 of 7
James J. Parm ⁽²⁾	16 of 20	6 of 6	22 of 26
Edward Reevey	11 of 11	3 of 3	14 of 14
Frank L. Salizzoni	10 of 11	3 of 3	13 of 14
Robert Walmsley	2 of 2	2 of 2	4 of 4
Stephen G. Wetmore	3 of 4	1 of 3	4 of 7
Charles W. White	5 of 5	2 of 2	7 of 7

Notes:

- (1) Mr. Bissegger is not a member of any committee of the Board of Directors. However, as Chairman of the Board, Mr. Bissegger may attend any Committee meeting at his discretion or at the request of the chair of any Committee.
- (2) Mr. Parm is not a member of any committee of the Board of Directors. His committee meeting attendance is based on the number of committee meetings he attended out of the total number of meetings held by all committees. In some instances, more than one committee held meetings at the same time or a committee met *in camera* without management, including Mr. Parm.

Directorships for Other Reporting Issuers

Currently, the nominees listed below serve as directors on the Boards of Directors of other reporting issuers (or the equivalent)⁽¹⁾:

Director	Reporting Issuer
Michael J. Bayer	CACI International Inc. Duratek Inc.
Janice I. Obuchowski	CSG Systems International Orbital Sciences Corporation
David R. Oliver, Jr.	American Superconductor Corporation (AMSC) Pittsburgh Electric Energy, Incorporated
Frank L. Salizzoni	Orbital Sciences Corporation
Edward Reevey	Bell Aliant Regional Communications Income Fund
Robert Walmsley	British Energy Group plc. Cohort plc EDO Corporation

Director	Reporting Issuer
	General Dynamics Corporation
Charles W. White	Bell Aliant Regional Communications Income Fund

Note:

- (1) The foregoing information as to directorships of other reporting issuers (or the equivalent), not being within the knowledge of Stratos, has been furnished by the respective proposed nominees individually.

Board Mandate

The Board of Directors is responsible for the overall stewardship of Stratos. The Board discharges this responsibility directly and through delegation of specific responsibilities to committees of the Board, the Chair and officers of Stratos, all as more particularly described in the Board Mandate adopted by the Board of Directors.

As set out in the Board Mandate, the Board of Directors has established three committees to assist with its responsibilities: the Audit Committee; the Corporate Governance Committee and the Compensation Committee. Each of the Committees has a charter defining its responsibilities.

The Board Mandate was reviewed and updated in early 2007 to reflect recent developments.

Position Descriptions

The Board of Directors has adopted specific written guidelines defining the scope of duties and expectations of the Chair of the Board, the chair of each committee and the Chief Executive Officer.

Orientation and Continuing Education

The Board recognizes the need to familiarize newly elected directors with their role, responsibilities and liabilities, including in particular the commitment of time and energy that is expected of Stratos' directors, and provides them with an overview of Stratos and its subsidiaries. This is normally done by an orientation, which consists of meetings with members of senior management. New directors are also provided with the opportunity to visit various facilities of Stratos and to meet with corporate officers to discuss and better understand Stratos' business. Directors' knowledge of Stratos' industry, technology, legal/regulatory environment and key executives is continually updated through presentations to the Board of Directors. Presentations are also made at meetings of the Board of Directors by senior and executive management on new developments, products and service offerings to keep directors informed of these matters. The Corporate Governance Committee is responsible for reviewing, monitoring and making recommendations regarding the ongoing development of the directors.

Ethical Business Conduct

As a part of its mandate, the Board of Directors explicitly assumes responsibility for cultivating within Stratos ethical corporate behaviour and compliance with laws, regulations, auditing and accounting procedures and Stratos' corporate governance practices. As well, the Chief Executive Officer is charged with fostering a corporate culture that promotes ethical practices, encourages individual integrity and fulfills social responsibility.

The Board has adopted a written code of business conduct and ethics (the "Code") for Stratos' directors, officers and employees that sets out the Board's expectations for the conduct of such persons in their dealings on behalf of Stratos. The Code is available on Stratos' website and has been filed on and is accessible through SEDAR at www.sedar.com.

The Code's guiding principles are honesty, integrity, compliance with the law, honest and lawful use of Stratos' resources, and ethical dealings with other parties. Directors, officers and employees are expected to report all situations in which the ethical principles in the Code are not being followed, either to management or to a human resources representative, with access to an independent third party to ensure the confidentiality of such communications. Failure to adhere to the Code is a serious matter that may result in corrective action up to and including termination of employment.

The Corporate Governance Committee monitors compliance with the Code with responsibility for compliance by directors and officers of Stratos, provided that all issues and concerns specifically related to accounting, internal financial controls and/or auditing will be reviewed and forwarded to the Audit Committee.

Stratos has also established a whistleblower process for the confidential and anonymous reporting of accounting, internal controls and audit-related concerns by its employees. The process is managed by an independent third party, Shareholder.com, to ensure complete confidentiality. All submissions, stripped of identifying information to protect the identity of the sender, are reviewed by the Chair of the Audit Committee and the Chief Legal Officer, who on this matter reports directly to the Audit Committee, for prompt investigation and appropriate corrective action.

Audit Committee

The Audit Committee is composed of three directors of Stratos, Edward Reevey (Chair of the Audit Committee), Josef J. Fridman and Frank L. Salizzoni, all of whom are independent and financially literate for purposes of Multilateral Instrument 52-110 – *Audit Committees*. The responsibilities and operation of the Audit Committee are set out in the charter of the Audit Committee, the text of which is included as Appendix “A” to Stratos’ AIF dated March 29, 2007, a copy of which is available on SEDAR at www.sedar.com. The Audit Committee charter was reviewed and updated in early 2007 to reflect recent developments. A description of the relevant education and experience of each Audit Committee member, the Audit Committee’s policy regarding pre-approval of audit and non-audit services, and the fees paid by Stratos to its auditors for audit, audit-related and non-audit services can be found in Stratos’ AIF under the section entitled “Audit Committee”.

Nomination of Directors

The Corporate Governance Committee is composed of John M. Green (Chair of the Corporate Governance Committee), Robert Walmsley and Charles W. White, all of whom are independent. The responsibilities, powers and operation of the Corporate Governance Committee are set out in the committee’s charter, the text of which is included as Appendix “C” to Stratos’ AIF dated March 30, 2007, a copy of which is available on SEDAR at www.sedar.com. The Corporate Governance Committee charter was also reviewed and updated in early 2007.

For new directors, the Board of Directors defines the experience, skills and personality that are desirable in nominees based, in part, on the essential and desired skills and competencies of the Board of Directors as a whole, on the competencies and skills already represented by existing directors and the strategic plans of Stratos. The Corporate Governance Committee is then charged with the responsibility of evaluating potential nominees (whether identified by the Corporate Governance Committee, the Board of Directors, or others) and recommending nominees for the Board of Directors, in consultation with the Chair of the Board and the Chief Executive Officer.

Compensation

The Compensation Committee is composed of Janice I. Obuchowski (Chair of the Compensation Committee), Michael J. Bayer, David R. Oliver, Jr. and Stephen G. Wetmore, all of whom are independent. The responsibilities, powers and operation of the Compensation Committee are set out in the committee’s charter, the text of which is included as Appendix “B” to Stratos’ AIF dated March 29, 2007, a copy of which is available on SEDAR at www.sedar.com.

As described in its charter, the Compensation Committee: oversees the establishment of a plan of continuity for executives and other key employees of Stratos and its subsidiaries; oversees the establishment of a broad plan of executive compensation that is linked to performance and shareholder value and competitive in order to attract, hold, incentivize and motivate the executives and other key employees; and annually reviews the performance of each key Senior Executive Officer and recommends individual executive compensation and executive changes for approval by the Board of Directors.

As discussed above in “Report of the Corporate Governance Committee on Executive Compensation – Approach to Compensation”, the Compensation Committee obtains executive compensation data from third party providers of compensation data in its sector.

Further information regarding the activities and recommendations of the Compensation Committee is provided in the Report on Executive Compensation.

Assessments

The Board of Directors conducts an assessment on an annual basis to consider its performance in relation to its mandate. Each Committee is responsible for performing an annual assessment of its performance by comparing the performance of the Committee against its mandate. The results of the annual assessments are reviewed by the Board of Directors. Individual directors are also requested to complete, on an annual basis, a confidential self-assessment form in respect of their performance on the Board of Directors, the details of which are reviewed by the

Chair of the Board and the Chair of the Corporate Governance Committee. The Corporate Governance Committee presents a summary of the findings to the Board of Directors and recommends any changes for approval.

The directors of Stratos are requested to complete, on an annual basis, an individual, confidential survey in which they provide feedback on issues related to the quality of the governance of Stratos. The survey covers a variety of issues including the impact of the size of the Board of Directors on its decision-making, the effectiveness of the Board of Directors, its Chair and its committees and the quality of the Board of Directors' relationship with management of Stratos. The survey also canvasses opinions with respect to any perceived need for new officers or directors for Stratos to ensure that the Board of Directors and management reflect the appropriate breadth of expertise and invites comments and feedback.

SHAREHOLDER PROPOSALS

Shareholders entitled to vote at the next annual meeting of Shareholders to be held in 2008 and who wish to submit a proposal in respect of any matter to be raised at such meeting must ensure that Stratos receives their proposal no later than December 31, 2007.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents listed below and filed by Stratos with the Canadian Securities Authorities and with the SEC, are specifically incorporated by reference into, and form an integral part of, this Circular:

- (a) the AIF of Stratos dated March 29, 2007 for the fiscal year ended December 31, 2006; and
- (b) the material change report of Stratos dated March 19, 2007 relating to the announcement of the Arrangement.

All documents of the type referred to above (other than confidential material change reports) filed by Stratos with the Canadian Securities Authorities after the date of this Circular and before the Meeting are deemed to be incorporated by reference into this Circular.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Circular to the extent that a statement contained in this Circular or in any subsequently filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded shall not constitute a part of this Circular, except as so modified or superseded. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes.

Making such a modifying or superseding statement shall not be deemed to be an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, untrue statement of a material fact, nor an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

ADDITIONAL INFORMATION

Stratos files reports and other information with Canadian provincial securities commissions. These reports and information, as well as copies of documents incorporated herein by reference, are available to the public free of charge on SEDAR at www.sedar.com. Shareholders may contact Stratos at its head office, at the following address, to request copies of Stratos' financial statements and management discussion and analysis for its most recently completed financial year ended December 31, 2006: 6901 Rockledge Drive, Suite 900, Bethesda, Maryland, United States, 20817, Telephone: 301.968.1960. Financial information of Stratos is provided in the comparative financial statements and management discussion and analysis for its most recently completed financial year ended December 31, 2006.

LEGAL MATTERS

Certain legal matters relating to the Arrangement will be reviewed on behalf of Stratos by Blake, Cassels & Graydon LLP and certain United States legal matters relating to the Arrangement will be reviewed on behalf of Stratos by Steptoe & Johnson LLP. As of the date hereof, the partners and associates of Blake, Cassels & Graydon LLP and Steptoe & Johnson LLP, as a group, beneficially owned, directly or indirectly, less than 1% of the issued Common Shares.

DIRECTORS' APPROVAL

The contents and the sending of this Circular have been approved by the Board of Directors.

Dated as of the 4th day of May, 2007.

By Order of the Board of Directors
(Signed) Richard E. Harris
Corporate Secretary

GLOSSARY OF TERMS

In this Circular, the following capitalized words and terms shall have the following meanings:

“**Acquisition Proposal**” means any *bona fide* inquiry, proposal or offer from any Person other than a member of the CIP Group (whether or not in writing and whether or not delivered to the Shareholders) relating to (a) any direct or indirect acquisition or purchase (or any lease, long-term supply agreement or other arrangement having the same economic effect as a sale) in a single transaction or a series of related transactions of a material amount of assets of Stratos or any Stratos Subsidiary or of more than 20 percent of any class of the share capital, voting securities or other equity interests of Stratos or any Stratos Subsidiary, (b) any take-over bid, tender offer, exchange offer, treasury issuance, issuance of securities or similar transaction that, if consummated, would result in any Person other than a member of the CIP Group owning or controlling 20 percent or more of any class of the share capital, voting securities or other equity interests (including securities convertible into equity interests) of Stratos or any Stratos Subsidiary, (c) any merger, amalgamation, consolidation, business combination, arrangement, reorganization, recapitalization, liquidation, dissolution or similar transaction involving Stratos or any Stratos Subsidiary, (d) any other transaction the consummation of which would reasonably be expected to impede, interfere with, prevent or materially delay the Arrangement, or (e) any public announcement or other public disclosure of an intention to do any of the foregoing made by any Person other than a member of the CIP Group.

“**affiliate**” means an affiliate within the meaning of section 1.2 of National Instrument 45-106 – *Prospectus and Registration Exemptions*.

“**allowable capital loss**” shall have the meaning and effect ascribed to it pursuant to the ITA.

“**Arrangement**” means the arrangement in respect of Stratos to be effected under the provisions of section 192 of the CBCA on the terms set out in the Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the Arrangement Agreement and section 6.1 of the Plan of Arrangement or made at the direction of the Court in the Final Order (with the consent of CIP and Stratos, each acting reasonably).

“**Arrangement Agreement**” means the arrangement agreement, dated March 19, 2007, between CIP Limited, CIP Acquireco and Stratos, as amended by an amendment agreement, dated April 18, 2007, and any further amendment thereto made in accordance with such agreement.

“**Arrangement Resolution**” means the special resolution of the Shareholders to be considered at the Meeting, to be substantially in the form set out in Exhibit “A” hereto.

“**Articles of Arrangement**” means the articles of arrangement of Stratos (in form and substance satisfactory to CIP Limited and CIP Acquireco, acting reasonably) in respect of the Arrangement, to be filed with the Director after the Final Order is made.

“**Bank of Canada**” means the national bank of Canada.

“**Bear Stearns**” means Bear, Stearns & Co. Inc.

“**BGAN**” means Broadband Global Area Network.

“**Board**” or “**Board of Directors**” means the board of directors of Stratos.

“**Business Day**” means any day, other than a Saturday, Sunday or any other day observed as a civic or statutory holiday in London, England or Toronto, Ontario, on which commercial banks are generally open for business in London, England and Toronto, Ontario.

“**Call Option**” means the option granted by CIP to Inmarsat Finance to acquire the shares of CIP Limited subject to the terms and conditions set out in the Call Option Agreement.

“**Call Option Agreement**” means the agreement, referred to in the Arrangement Agreement, between CIP and Inmarsat Finance providing for the Call Option.

“**Canadian-controlled private corporation**” shall have the meaning and effect ascribed to it pursuant to the ITA.

“**Canadian Securities Administrators**” means the securities commissions or other securities regulators in each of the provinces and territories of Canada.

“**Cash Consideration**” means C\$6.40 in cash per Common Share, subject to increase as provided in Section 7.2(a)(iv) of the Arrangement Agreement or as otherwise agreed to by the parties thereto.

“**CBCA**” means the *Canada Business Corporations Act*, R.S.C.1985, c.C-44, as amended from time to time.

“**C\$**”/“**Canadian dollars**” means the lawful currency of Canada.

“**Chair**” means the duly appointed chair of the Board of Directors.

“**CFA**” means the Commercial Framework Agreement, dated November 30, 2003, among Inmarsat Ventures Limited, Inmarsat Global Limited (formerly Inmarsat Limited) and Stratos Wireless Inc.

“**CIP**” means Communications Investment Partners Limited, a corporation organized under the laws of the British Virgin Islands.

“**CIP Acquireco**” means CIP Canada Investment Inc., a company organized under the laws of the Province of New Brunswick.

“**CIP Group**” means CIP, CIP Limited, CIP Acquireco and their respective affiliates.

“**CIP Limited**” means CIP UK Holdings Limited, a company organized under the laws of England and Wales.

“**Circular**” means this management proxy circular, including the Notice of Meeting and all appendices hereto and all documents incorporated by reference herein, and all amendments hereof.

“**Commercial Framework Agreement**” or “**CFA**” means the commercial framework agreement dated November 30, 2003 among Inmarsat Ventures Limited, Inmarsat Global Limited (formerly Inmarsat Limited) and Stratos Wireless Inc.

“**Commitment Letter**” means the commitment letter and term sheet dated March 19, 2007 between Inmarsat Finance and CIP Limited.

“**Common Shares**” means the common shares in the capital of Stratos.

“**Conditional Distribution Agreements**” has the meaning ascribed to it under the heading “Conditional Distribution Agreements” in this Circular.

“**Corporation**” means Stratos Global Corporation.

“**Corporations Act (Newfoundland)**” means the *Corporations Act*, R.S.N.L. 1990 C-36, as amended from time to time.

“**Court**” means the Superior Court of Justice (Ontario).

“**CRA**” means the Canada Revenue Agency.

“**Demand for Payment**” has the meaning ascribed to it under the heading “Dissenting Shareholders’ Rights” in this Circular.”

“**Depository**” means the depository or any other trust company, bank or financial institution agreed to in writing between CIP and Stratos for the purpose of, among other things, exchanging certificates representing Common Shares for the Cash Consideration in connection with the Arrangement and paying the Option Consideration, if any, to holders of Stratos Options in accordance with the Plan of Arrangement.

“**Director**” means the Director appointed pursuant to section 260 of the CBCA.

“**Dissent Notice**” means the written objection of a Registered Shareholder submitted to Stratos.

“**Dissent Rights**” means the rights of dissent of a Shareholder in respect of the Arrangement Resolution described in the Plan of Arrangement.

“**Dissenting Shareholder**” has the meaning ascribed thereto in the Plan of Arrangement.

“**Dissenting Common Shares**” has the meaning ascribed to it under the heading “Dissenting Shareholders’ Rights” in this Circular.”

“**Distribution Agreements**” has the meaning ascribed to it under the heading “Acquisition by CIP Acquireco” in the Summary section of this Circular.

“**Effective Date**” means the date of the Certificate of Arrangement giving effect to the Arrangement which shall be issued on the date contemplated in Section 5.1(f) the Arrangement Agreement.

“**Effective Time**” means 12:01 a.m. (Toronto time) on the Effective Date.

“**Exchange Act**” means the United States *Securities Exchange Act of 1934*, and the regulations made thereunder, as promulgated or amended from time to time.

“**Employment Agreements**” means the employment agreements entered into by the Named Executive Officers with Stratos.

“**Facility Agreement**” means the loan agreement to be entered into between Inmarsat Finance and CIP Limited regarding the financing, *inter alia*, of the acquisition of Common Shares pursuant to the Arrangement Agreement, the Arrangement to purchase the Stratos Bonds in accordance with their terms as a result of the completion of the Arrangement and the transactions contemplated hereby, and the refinancing of the Stratos Credit Facility, substantially on the terms and conditions of the Commitment Letter.

“**Fairness Opinion**” means, collectively, the Bear Stearns Fairness Opinion and the RBC Capital Markets Fairness Opinions, copies of which are attached as Appendices “E” and “F” of this Circular.

“**Final Order**” means the final order of the Court approving the Arrangement, as such order may be amended by the Court (with the consent of CIP and Stratos, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or amended (provided that any such amendment shall be acceptable to both CIP and Stratos, each acting reasonably) on appeal.

“**Georgeson**” means Georgeson Shareholder Communications Canada Inc.

“**Governmental Entity**” means any applicable (i) multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign, (ii) subdivision, agency, commission, board or authority of any of the foregoing, or (iii) quasi-governmental or private body (including any stock exchange or Securities Authority) exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing.

“**Holder**” means all Shareholder who, at all relevant times, for the purposes of the ITA: (a) deals at arm’s length with Stratos, CIP Acquireco and CIP; (b) is not affiliated with Stratos, CIP Acquireco or CIP; and (c) holds all Common Shares, as capital property.

“**Inmarsat Finance**” means Inmarsat Finance III Limited.

“**Inmarsat Global**” means Inmarsat Global Limited.

“**Interim Order**” means the interim order of the Court, as the same may be amended by the Court (with the consent of CIP and Stratos, each acting reasonably), pursuant to subsection 192(3) of the CBCA, made in connection with the Arrangement.

“**Intermediary**” includes a broker, investment dealer, bank, trust company, nominee or other intermediary.

“**Investment Canada Act**” means the *Investment Canada Act* (Canada), R.S.C., 1985, c. 28 (1st Supp.), as amended from time to time.

“**ITA**” means the *Income Tax Act* (Canada), R.S.C. 1985, c.1 (5th Supplement), as amended from time to time.

“**Laws**” means all applicable laws, including common law, statutes, by-laws, rules, regulations, treaties, orders, ordinances, protocols, codes, guidelines, instruments, policies, notices, permits, licenses, directions and judgments or other requirements of any Governmental Entity.

“**Letter Agreement**” means the letter agreement, dated as of March 19, 2007, between Stratos and Inmarsat plc.

“**Letter of Transmittal**” means the Letter Transmittal enclosed with the Circular pursuant to which Shareholders will surrender share certificates representing Common Shares to the Depository.

“**LESO Agreement**” means the lad earth station operator agreement, dated as of January 23, 2004, between Inmarsat Ventures Limited, Inmarsat Global Limited (formerly Inmarsat Limited) and Stratos Wireless Inc.

“**Material Adverse Change**” means any one or more changes, events or occurrences, and “**Material Adverse Effect**” means any fact or state of facts, circumstance, change, effect, occurrence or event which, in either case, either individually is or in the aggregate are, or would reasonably be expected to be, material and adverse to the business, operations, results of operations, prospects, properties, assets, liabilities, obligations (whether absolute, accrued, conditional or otherwise) or condition (financial or otherwise) of Stratos and the Stratos Subsidiaries, on a consolidated basis, other than any change, event, occurrence or state of facts: (i) relating to general economic or

political conditions, the global economy or securities markets in general; (ii) affecting the worldwide telecommunications services industry in general and which does not have a materially disproportionate effect on Stratos and the Stratos Subsidiaries on a consolidated basis; (iii) resulting from any action initiated by, undertaken at the instruction or request of, Inmarsat plc or any of its affiliates, or resulting from any deliberate or intentional inaction by Inmarsat plc or any of its affiliates where it had an obligation to take action, or any failure to remedy a breach capable of being remedied by Inmarsat plc or any of its affiliates, in each case other than as contemplated by the Arrangement Agreement (iv) relating to goodwill impairment in respect of Stratos' broadband business as result of the application of the impairment testing procedure described and disclosed in Stratos' financial results for the fourth quarter and year ended December 31, 2006 filed on SEDAR; (v) resulting solely or primarily from the announcement of the Arrangement Agreement and the transactions contemplated hereby or the taking of any action required by the Arrangement Agreement in connection with the Arrangement (including any decrease in customer demand, any reduction in revenues, any disruption in supplier, partner or similar relationships, or any loss of employees, in each case to the extent resulting solely or primarily from such announcement); (vi) resulting solely from any failure, in and of itself, by Stratos to meet its own, or analysts', guidance or projections; (vii) resulting from any natural disaster, or any engagement in hostilities by any country in which Stratos operates, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any act or acts of terrorism, other than any act, event or occurrence relating to or arising out of the damage to, or destruction of, any of Inmarsat plc's satellites; or (viii) relating to a change in the market trading price of Common Shares either (A) related to the Arrangement Agreement and the transactions contemplated hereby or the announcement thereof or (B) related to such a change in the market trading price primarily resulting from a change, effect, event or occurrence excluded from the definition of Material Adverse Change and Material Adverse Effect under clauses (i) to (vii), inclusive, and except as explicitly stated herein, references in the Arrangement Agreement to dollar amounts are not intended to be, and shall not be deemed to be, interpretive of the amount used for the purpose of determining whether a "Material Adverse Change" has occurred or whether a state of facts exists that has or could have a "Material Adverse Effect" and such defined terms and all other references to materiality in the Arrangement Agreement shall be interpreted without reference to any such amounts.

"Meeting" means the special meeting of Shareholders, including an adjournments or postponements thereof, called and to be held to consider, and if deemed advisable, to pass with or without variation, the Arrangement Resolution.

"Named Executive Officers" means James J. Parm, President and Chief Executive Officer; Alfred C. Giammarino Executive Vice President and Chief Financial Officer; Richard E. Harris Senior Vice President, Chief Legal Officer and Corporate Secretary; David J. Oake, Executive Vice President Corporate Development; and John M. Mackey, Senior Vice President and Chief Technical Officer.

"Non-Registered Holder" or **"Non-Registered Shareholder"** means a non-registered holder of Common Shares whose shares are held through an Intermediary.

"Non-Resident Dissenter" has the meaning ascribed to it under the heading "Dissenting Non-Resident Holders" in this Circular.

"Non-Resident Holder" means a Holder who, for the purposes of the ITA and at all relevant times, (i) is not, and is not deemed to be, resident in Canada and (ii) does not use or hold and is not deemed to use or hold, Common Shares in connection with carrying on business in Canada.

"Notice of Appearance" has the meaning ascribed to it under the heading "The Arrangement -- Court Approval of the Arrangement" in this Circular.

"Notice of Application" means the notice of application for the Final Order as attached as Appendix "D".

"Notice of Meeting" means the notice of the Meeting accompanying this Circular.

"Offer to Pay" means the written offer of CIP to each Dissenting Shareholder who has sent a Demand for Payment to pay for its Common Shares in an amount considered by the Board of Directors of CIP to be fair value of the shares.

"Option Consideration" has the meaning ascribed thereto in the Plan of Arrangement.

"Person" includes any individual, partnership, association, limited or unlimited liability company, joint venture, body corporate, trustee, trust, executor, administrator, legal representative, government (including Governmental Entity) or any other entity, whether or not having legal status.

“**Plan of Arrangement**” means the plan of arrangement substantially in the form attached as Appendix “B”, as amended or varied pursuant to the terms the Arrangement Agreement and Plan of Arrangement.

“**Prohibition Order**” means a determination by the FCC to designate the transactions contemplated by the Arrangement for a hearing, or any Law, permanent or final order, decree, binding arbitral award, decision, judgement or any other action under any Laws or by any Governmental Entity or other regulatory authority, taken or issued as referred to the Arrangement Agreement, in each case whether or not such order, decree, arbitral award, decision, judgement or action is appealable or has been appealed, that makes it illegal or otherwise directly or indirectly restrains, enjoins or prohibits the consummation of the Arrangement and the transactions contemplated herein in accordance with the terms of the Arrangement Agreement, including the transactions contemplated by the Facility Agreement, and for greater certainty does not include any interlocutory or interim order, judgment or similar act.

“**Proposed Amendments**” means all specific proposals to amend the ITA and the regulations announced by or on behalf of the Minister of Finance (Canada) prior to the Circular.

“**RBC Capital Markets**” means RBC Dominion Securities Inc., a member company of RBC Capital Markets.

“**Record Date**” means close of business on May 1, 2007.

“**Regulatory Approvals**” means the approvals, consents, permissions, rulings, waivers or the expiry of applicable waiting times required to implement the Arrangement Agreement in accordance with its terms.

“**Registered Shareholder**” means a registered holder of Common Shares.

“**Resident Dissenter**” has the meaning ascribed to it under the heading “Dissenting Shareholders’ Rights” in this Circular.”

“**Resident Holder**” means a Holder who, at all relevant times, is or is deemed to be resident in Canada for purposes of the ITA.

“**SARs**” means stock appreciation rights.

“**SEC**” means the United States Securities and Exchange Commission.

“**Securities Act (Ontario)**” means the *Securities Act* (Ontario), R.S.O. 1990, as amended from time to time.

“**Securities Authorities**” means the Ontario Securities Commission and the other securities regulatory authorities in the provinces and territories of Canada, the SEC and the applicable United States state securities authorities, collectively and “**Securities Authority**” means any one of them.

“**SEDAR**” means The System for Electronic Document Analysis and Retrieval, a filing system developed for the Canadian Securities Administrators.

“**Shareholders**” means the holders of Common Shares and “**Shareholder**” means a holder of Common Shares.

“**Special Committee**” means the independent special committee of the Board of Directors established to, among other things, review and consider the proposed transaction involving Inmarsat plc.

“**Stratos**” means Stratos Global Corporation.

“**Stratos Credit Facility**” means the second amended and restated credit agreement, dated February 13, 2006, among Stratos, Stratos Funding LP and the financial institutions party thereto, as amended from time to time in accordance with its terms.

“**Stratos Bonds**” means the Stratos 9 7/8% senior notes due February 15, 2013.

“**Stratos Options**” means the options to purchase Common Shares which are outstanding immediately before the Effective Time.

“**Stratos Required Vote**” means the requisite approval for the Arrangement Resolution, being (i) not less than 66-2/3 percent of the votes cast in respect of the Arrangement Resolution by Shareholders present in person or by proxy at the Meeting, and (ii) such other approval as is required by the Interim Order.

“**Stratos Rights Plan**” means the shareholder rights plan agreement, dated as of March 24, 2005, between Stratos and Computershare Trust Company of Canada.

“**Stratos Subsidiaries**” means the corporations identified as such in Schedule E attached to the Arrangement Agreement, collectively.

“**Superior Proposal**” means an unsolicited *bona fide* written Acquisition Proposal for 100% of the Common Shares (or all or substantially all of its assets) that the Board of Directors has determined in good faith, after consultation with its financial and outside legal advisers, would, if consummated in accordance with its terms, but without assuming away the risk of non-completion, result in a transaction which (i) is more favourable, from a financial point of view, to the Shareholders than the Arrangement (including any amendment to the terms and conditions of the Arrangement Agreement proposed by CIP Limited and CIP Acquireco pursuant to Section 7.2 of the Arrangement Agreement), (ii) is reasonably capable of completion without undue delay taking into account all legal, financial, regulatory and other aspects of such Acquisition Proposal and the party making such Acquisition Proposal, and (iii) in respect of which any required financing to complete such Acquisition Proposal has been demonstrated to the satisfaction of the Board of Directors of Stratos, acting in good faith (after receipt of advice from its financial advisers and outside legal counsel), is reasonably likely to be obtained.

“**taxable capital gain**” shall have the meaning and effect ascribed to it pursuant to the ITA.

“**Termination Date**” means the date upon which the Arrangement Agreement is terminated pursuant to its terms.

“**Termination Fee**” means the C\$8,000,000 fee payable by Stratos to CIP Limited in certain circumstances under the terms of the Arrangement Agreement.

“**Transaction Agreements**” means the Trust Agreement, the Call Option Agreement, the Commitment Letter and the Letter Agreement.

“**Transfer Agent**” means Computershare Investor Services Inc.

“**Trust Agreement**” means the trust agreement, dated April 2, 2007, between CIP Acquireco and the Trustee.

“**Trustee**” means Robert M. Franklin and/or any other trustee appointed as trustee under the Trust Agreement.

“**TSX**” means the Toronto Stock Exchange.

“**US\$/United States dollars**” means the lawful currency of the United States of America.

CONSENT OF LEGAL COUNSEL

We hereby consent to the reference to our opinion contained under “Certain Canadian Federal Income Tax Considerations” in the management proxy circular of Stratos Global Corporation dated May 4, 2007 (the “Circular”), to the inclusion of the foregoing opinion in the Circular and to the reference to the name of our firm contained under the section “Legal Matters.”

(signed) “*Blake, Cassels & Graydon LLP*”

May 4, 2007

CONSENT OF BEAR STEARNS

To: THE BOARD OF STRATOS GLOBAL CORPORATION

We hereby consent to the reference under the heading “Fairness Opinions of Bear Stearns and RBC Capital Markets” to the opinion of our firm dated as of March 18, 2007, which we prepared for the Board of Directors of Stratos Global Corporation in connection with the Arrangement Agreement entered into between Stratos Global Corporation, CIP Canada Investment Inc. and CIP UK Holdings Limited. In providing such consent, except as may be required by securities laws, we do not intend that any person other than the Board of Directors rely upon such opinion.

Notwithstanding the foregoing, it is understood that our consent is being delivered solely in connection with the Corporation’s management proxy circular dated May 4, 2007 and that our opinion is not to be used, circulated, quoted or otherwise referred to in whole or in part in any management proxy circular (including any subsequent amendments to the above-mentioned management proxy circular), or any other document, except in accordance with our prior written consent.

(Signed) *“Bear, Stearns & Co. Inc.”*

New York, New York
May 4, 2007

CONSENT OF RBC CAPITAL MARKETS

To: THE BOARD OF STRATOS GLOBAL CORPORATION

We hereby consent to the reference under the heading “Fairness Opinions of Bear Stearns and RBC Capital Markets” to the opinion of our firm dated March 18, 2007, which we prepared for the Board of Directors and the Special Committee of the independent directors of Stratos Global Corporation in connection with the Arrangement Agreement entered into between Stratos Global Corporation, CIP Canada Investment Inc. and CIP UK Holdings Limited. In providing such consent, except as may be required by securities laws, we do not intend that any person other than the Board of Directors and the Special Committee rely upon such opinion.

(Signed) “*RBC Capital Markets*”

Toronto, Ontario
May 4, 2007

**APPENDIX “A”
ARRANGEMENT RESOLUTION**

SPECIAL RESOLUTION OF THE SHAREHOLDERS OF STRATOS GLOBAL CORPORATION

BE IT RESOLVED THAT:

1. The arrangement (the “**Arrangement**”) under section 192 of the *Canada Business Corporations Act* (the “**CBCA**”) involving Stratos Global Corporation (the “**Corporation**”), CIP UK Holdings Limited and CIP Canada Investment Inc. (as the Arrangement may be modified or amended in accordance with its terms) is hereby ratified, authorized, confirmed, approved and adopted.
2. The plan of arrangement (the “**Plan of Arrangement**”) involving the Corporation, the full text of which is set out as Appendix B to the Corporation’s Management Proxy Circular, dated May 4, 2007, delivered to shareholders in connection with the Arrangement (the “**Circular**”) (as the Plan of Arrangement may be modified or amended in accordance with its terms), is hereby ratified, authorized, confirmed, approved and adopted.
3. Notwithstanding that this resolution has been passed, and the Arrangement adopted, by the holders of common shares of the Corporation (“**Common Shares**”) or that the Arrangement has been approved by the Court, the directors of the Corporation are hereby authorized and empowered without further notice to or approval of the holders of Common Shares (i) to amend the arrangement agreement, dated as of March 19, 2007, between the Corporation, CIP UK Holdings Limited and CIP Canada Investment Inc. (the “**Arrangement Agreement**”), or the Plan of Arrangement, to the extent permitted by the Arrangement Agreement, and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement.
4. Any officer or director of the Corporation is hereby authorized and directed for and on behalf of the Corporation to execute, under the seal of the Corporation or otherwise, and to deliver articles of arrangement and such other documents as are necessary or desirable to the Director under the CBCA in accordance with the Arrangement Agreement for filing and to take all such other steps or actions as may be necessary or desirable in connection with the Arrangement and the transactions described in the Circular and to execute under the seal of the Corporation or otherwise, all such other certificates, instruments, agreements, documents and notices, and to take such further actions in such Person’s opinion as may be necessary or desirable to carry out the purposes and intent of the foregoing resolutions.

**APPENDIX “B”
PLAN OF ARRANGEMENT**

**PLAN OF ARRANGEMENT UNDER SECTION 192
OF THE CANADA BUSINESS CORPORATIONS ACT (ONTARIO)**

**ARTICLE I
DEFINITIONS AND INTERPRETATION**

Section 1.1 Definitions

In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, the following words and terms shall have the meanings hereinafter set forth:

“**Arrangement**” means the arrangement under section 192 of the CBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the Arrangement Agreement and Section 6.1 hereof or made at the discretion of the Court in the Final Order (with the consent of Stratos and CIP, each acting reasonably);

“**Arrangement Agreement**” means the Arrangement Agreement providing for, among other things, this Plan of Arrangement between Stratos, CIP Acquireco and CIP Limited, dated as of March 19, 2007, as the same may be amended, supplemented and/or restated from time to time, in accordance with its terms;

“**Arrangement Resolution**” means the special resolution of the Shareholders of Stratos approving the Arrangement;

“**Articles of Arrangement**” means the articles of arrangement of Stratos in respect of the Arrangement that are required by the CBCA to be filed with the Director after the Final Order is made;

“**Business Day**” means any day, other than a Saturday, Sunday or any other day observed as a civic or statutory holiday in London, England or Toronto, Ontario, on which commercial banks are generally open for business in London, England and Toronto, Ontario;

“**Cash Consideration**” means \$6.40 in cash per Stratos Share, subject to increase as provided in Section 7.2(a)(iv) of the Arrangement Agreement or as otherwise agreed to by the parties thereto;

“**CBCA**” means the *Canada Business Corporations Act*, R.S.C.1985, c.C-44, as amended, as amended from time to time.;

“**Certificate of Arrangement**” means the certificate of arrangement giving effect to the Arrangement, issued pursuant to section 192(7) of the CBCA after the Articles of Arrangement have been filed;

“**CIP**” means CIP Limited and CIP Acquireco;

“**CIP Acquireco**” means CIP Canada Investment Inc., a corporation existing under the laws of the Province of New Brunswick, and includes its successors;

“**CIP Limited**” means CIP UK Holdings Limited, a corporation existing under the laws of England and Wales, and includes its successors;

“**Circular**” means the notice of the Stratos Meeting and accompanying management information circular, including the schedules attached thereto and all amendments from time to time made thereto, sent to Shareholders in connection with the Stratos Meeting;

“**Court**” means the Superior Court of Justice (Ontario);

“**Depositary**” has the meaning set forth in the Arrangement Agreement;

“**Director**” means the Director appointed pursuant to section 260 of the CBCA;

“**Dissent Rights**” shall have the meaning ascribed thereto in Section 4.1;

“**Dissenting Shareholder**” means a registered holder of Stratos Shares who validly dissents in respect of the Special Resolution in strict compliance with the Dissent Rights, and who is ultimately entitled to be paid fair value for its

Stratos Shares, but only in respect of the Stratos Shares in respect of which Dissent Rights are validly exercised by such registered holder;

“**Effective Date**” means the date of the Certificate of Arrangement;

“**Effective Time**” means 12:01 a.m. (Eastern Time) on the Effective Date;

“**Final Order**” means the final order of the Court approving the Arrangement, as such order may be amended by the Court (with the consent of CIP and Stratos, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or amended (provided that any such amendment shall be acceptable to both CIP and Stratos, each acting reasonably) on appeal;

“**Former Stratos Shareholders**” means, at and following the Effective Time, the registered holders of Stratos Shares immediately prior to the Effective Time;

“**Interim Order**” means the interim order of the Court, as the same may be amended by the Court (with the consent of CIP and Stratos, each acting reasonably), pursuant to section 192(3) of the CBCA, made in connection with the Arrangement;

“**Letter of Transmittal**” means the letter of transmittal for use by Shareholders;

“**Option Consideration**” means the aggregate cash payable by Stratos pursuant to Section 3.2(b), if any;

“**Person**” includes any individual, partnership, association, limited or unlimited liability company, joint venture, body corporate, trustee, trust, executor, administrator, legal representative, government (including any Governmental Entity) or any other entity, whether or not having legal status;

“**Shareholders**” means, at any time and unless the context otherwise requires, the registered holders of Stratos Shares at such time;

“**Stratos**” means Stratos Global Corporation, a corporation existing under the laws of Canada, and includes its successors;

“**Stratos Meeting**” means the special meeting, including any adjournments or postponements thereof, of the Shareholders to be called and held in accordance with the Interim Order, to consider and, if deemed advisable, to approve the Arrangement Resolution;

“**Stratos Option Plan**” means the amended and restated employee stock option plan of Stratos dated May 13, 2004;

“**Stratos Options**” means the outstanding options to purchase Stratos Shares issued pursuant to the Stratos Option Plan;

“**Stratos Rights Plan**” means the shareholder rights plan agreement, dated as of March 24, 2005, between Stratos and Computershare Trust Company of Canada.

“**Stratos Shares**” means the common shares in the capital of Stratos.

“**Tax Act**” means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time;

“**Trust Agreement**” means the trust agreement, dated as of April 2, 2007, between CIP Limited and the Trustee with respect to the Trust Arrangements;

“**Trust Arrangements**” means arrangements whereby the Stratos Shares acquired by CIP Acquireco pursuant to this Plan of Arrangement shall be deposited with and held by the Trustee pursuant to the Trust Agreement;

“**Trustee**” means Mr. Robert Franklin, an individual resident in Canada; and

“**this Plan**”, “**Plan of Arrangement**”, “**hereof**”, “**herein**”, “**hereto**” and like references mean and refer to this plan of arrangement.

Words and phrases used herein that are defined in the Arrangement Agreement and not defined herein shall have the same meaning herein as in the Arrangement Agreement, unless the context otherwise requires. Words and phrases used herein that are defined in the CBCA and not defined herein or in the Arrangement Agreement shall have the same meaning herein as in the CBCA, unless the context otherwise requires.

Section 1.2 **Interpretation Not Affected By Headings, etc.**

The division of this Plan of Arrangement into Articles, Sections and other portions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof.

Section 1.3 **Gender and Number**

Unless the context requires the contrary, words importing the singular only shall include the plural and vice versa and words importing the use of any gender shall include all genders.

Section 1.4 **Date for Any Action**

In the event that the date on which any action is required to be taken hereunder by any of the parties is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

Section 1.5 **Statutory References**

A reference to a statute includes all rules, regulations, policies and blanket orders made pursuant to such statute and, unless otherwise specified the provisions of any statute, regulation, rule, policy or blanket order which amends, supplements, replaces or supersedes any such statute, regulation, rule, policy or blanket order.

Section 1.6 **Currency**

Unless otherwise stated, all references herein to sums of money or currency are expressed in lawful money of Canada.

**ARTICLE II
ARRANGEMENT AGREEMENT**

Section 2.1 **Arrangement Agreement**

This Plan of Arrangement is made pursuant to, and is subject to the provisions of, the Arrangement Agreement, and has been authorized by the Arrangement Resolution, which resolution authorizes this Arrangement.

**ARTICLE III
ARRANGEMENT**

Section 3.1 **Binding Effect**

This Plan of Arrangement will become effective at, and be binding at and after, the Effective Time on (i) Stratos, (ii) CIP Acquireco, (iii) CIP Limited, (iv) all registered and beneficial holders of Stratos Shares, and (v) all holders and beneficial owners of Stratos Options.

Section 3.2 **Arrangement**

Commencing at the Effective Time, the following events or transactions shall occur and shall be deemed to occur in the following sequence without any further act or formality required on the part of any Person, except as expressly provided herein:

- (a) the Stratos Rights Plan shall be terminated and all Rights (as defined in the Stratos Rights Plan) shall be cancelled without any payment in respect thereof;
- (b) all of the Stratos Options granted and outstanding immediately prior to the Effective Time shall, without any further action on behalf of any holder of Stratos Options, be transferred by the holders thereof to Stratos without any act or formality on its or their part in exchange for a cash amount equal to the excess, if any, of (i) the product of the number of Stratos Shares underlying the Stratos Options held by such holder and the Cash Consideration over (ii) the aggregate exercise

price payable under such Stratos Options (converted to Canadian dollars at the Bank of Canada noon rate on the Effective Date, if applicable) by the holder to acquire the Stratos Shares underlying such Stratos Options. All Stratos Options issued and outstanding immediately prior to the Effective Time shall thereafter immediately be cancelled and terminated;

- (c) each Stratos Share in respect of which Dissent Rights have been validly exercised before the Effective Time shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all liens, claims and encumbrances, to CIP Acquireco and the Trustee (as provided below) in consideration for a debt claim against CIP Acquireco in an amount determined and payable in accordance with Article IV hereof, and the name of such holder shall be removed from the register of holders of Stratos Shares (in respect of the Stratos Shares for which Dissent Rights have been validly exercised before the Effective Time), and the Trustee shall be recorded as the registered holder of the Stratos Shares so transferred and (i) the Trustee shall be deemed to be the legal owner of such Stratos Shares in accordance with the Trust Arrangements and (ii) CIP Acquireco shall be deemed to be the beneficial owner of such Stratos Shares, in each case, free and clear of any liens, claims or encumbrances; and
- (d) each Stratos Share outstanding immediately prior to the Effective Time (other than Stratos Shares in respect of which Dissent Rights have been validly exercised before the Effective Time and any Stratos Shares held by CIP, which shall not be transferred under this Plan of Arrangement), shall be deemed to be transferred by the holder thereof to CIP Acquireco and the Trustee (as provided below) in exchange for the Cash Consideration and the Trustee shall be recorded as the registered holder of the Common Shares so transferred and (i) the Trustee shall be deemed to be the legal owner thereof in accordance with the Trust Arrangements and (ii) CIP Acquireco shall be deemed to be the beneficial owner thereof, in each case free and clear of any liens, claims or encumbrances.

Section 3.3 **Post-Effective Time Procedures**

- (a) On or immediately prior to the Effective Date, CIP Acquireco shall deliver or arrange to be delivered to the Depository the cash required to paid in accordance with the provisions of Section 3.2(d) hereof, which cash shall be held by the Depository as agent and nominee for Former Stratos Shareholders for distribution to such Former Stratos Shareholders in accordance with the provisions of Article V hereof.
- (b) On or immediately prior to the Effective Date, Stratos shall deliver or arrange to be delivered to the Depository the cash required to paid in accordance with the provisions of Section 3.2(b) hereof, if any, which cash shall be held by the Depository as agent and nominee for holders of Stratos Options for distribution to such holders of Stratos Options in accordance with the provisions of Article V hereof.
- (c) In accordance with the provisions of Article V hereof, Former Stratos Shareholders and holders of Stratos Options shall be entitled to receive the cash consideration to which they are entitled pursuant to Section 3.2(d) and 3.2(b) hereof, respectively.

Section 3.4 **Transfers Free and Clear**

Any transfer of any securities pursuant to the Arrangement shall be free and clear of any hypothecs, liens, claims, encumbrances, charges, adverse interests or security interests.

ARTICLE IV DISSENT PROCEDURES

Section 4.1 **Rights of Dissent**

Registered Stratos Shareholders may exercise rights of dissent with respect to their Stratos Shares pursuant to and in the manner set forth in section 190 of the CBCA as modified by the Interim Order and this Article IV (the

“**Dissent Rights**”), provided that written notice setting forth such a registered Stratos Shareholder’s objection to the Arrangement and exercise of Dissent Rights must be received by Stratos not later than 5:00 p.m. (Eastern Time) on the Business Day which is two Business Days preceding the date of the Stratos Meeting, or, if the Stratos Meeting is adjourned or postponed, 5:00 p.m. (Eastern Time) on the Business Day which is two Business Days preceding the date of such adjourned or postponed Stratos Meeting. Stratos Shareholders who duly and validly exercise their Dissent Rights and who:

- (a) are ultimately entitled to be paid fair value for their Stratos Shares, shall be deemed to have transferred their Stratos Shares to CIP Acquireco as of the Effective Time as set out in Section 3.2(c) hereof and in consideration for a debt claim against CIP Acquireco to be paid the fair value of such Stratos Shares, and will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement in respect of such Stratos Shares had such holders not exercised their Dissent Rights; or
- (b) are ultimately not entitled, for any reason, to be paid fair value for their Stratos Shares shall be deemed to have participated in the Arrangement on the same basis as any non-dissenting Stratos Shareholder.

Section 4.2 **Recognition of Dissenting Shareholders**

From and after the Effective Time, in no case shall CIP Acquireco, CIP Limited, Stratos or any other Person be required to recognize a Dissenting Shareholder as a holder of Stratos Shares in respect of which Dissent Rights have been validly exercised and the names of the Dissenting Shareholders shall be deleted from the register of holders of Stratos Shares. In addition to any other restrictions under section 190 of the CBCA, none of the following shall be entitled to exercise Dissent Rights: (a) holders of Stratos Options and (b) Shareholders who vote in favour of the Arrangement Resolution.

ARTICLE V
DELIVERY OF CASH CONSIDERATION

Section 5.1 **Letter of Transmittal**

At the time of mailing the Circular or as soon as practicable after the Effective Date, Stratos shall forward to each Shareholder at the address of such holder as it appears on the register maintained by or on behalf of Stratos in respect of the holders of Stratos Shares the Letter of Transmittal.

Section 5.2 **Delivery of Cash Consideration**

- (a) Upon surrender to the Depositary for cancellation of a certificate which immediately prior to the closing of the Arrangement represented one or more outstanding Stratos Shares which were acquired for the Cash Consideration in accordance with Section 3.2(d) hereof, together with such other documents and instruments as would have been required to effect the transfer of the Stratos Shares formerly represented by such certificate under the CBCA and the by-laws of Stratos and such additional documents and instruments as CIP or the Depositary may reasonably require, the holder of such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder following the Effective Time, a cheque (or, if required by applicable Laws, a wire transfer) for the aggregate Cash Consideration for all Stratos Shares deposited by such holder, which such holder is entitled to receive in accordance with Section 3.2(d) hereof.
- (b) After the Effective Time and until surrendered for cancellation as contemplated by Section 5.2(a) hereof, each certificate which immediately prior to the Effective Time represented one or more Stratos Shares shall be deemed at all times to represent only the right to receive in exchange therefor the entitlement to the Cash Consideration which the holder of such certificate is entitled to receive in accordance with Section 5.2(a) hereof.

Section 5.3 **Stratos Options**

- (a) If applicable, on or as soon as practicable after the Effective Date, the Depositary shall deliver on behalf of Stratos to each holder of Stratos Options as reflected on the books and records of Stratos a cheque (or, if required by applicable Laws, a wire transfer) representing the payment of the portion of the Option Consideration to which such holder is entitled in accordance with this Plan of Arrangement.

Section 5.4 **Lost Certificates**

In the event that any certificate which immediately prior to the Effective Time represented one or more outstanding Stratos Shares which were exchanged for the Cash Consideration in accordance with Section 3.2(d) hereof shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depositary shall deliver in exchange for such lost, stolen or destroyed certificate, a cheque in the amount of the aggregate Cash Consideration for all Stratos Shares deposited by such holder, which such holder is entitled to receive in accordance with Section 3.2(d) hereof. When authorizing such delivery of the aggregate Cash Consideration that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom a cheque in the amount of the aggregate Cash Consideration is to be delivered shall, as a condition precedent to the delivery of such cheque, give a bond satisfactory to CIP Acquireco and the Depositary in such amount as CIP Acquireco and the Depositary may direct, or otherwise indemnify CIP Acquireco and the Depositary in a manner satisfactory to CIP Acquireco and the Depositary, against any claim that may be made against CIP Acquireco or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the by-laws of Stratos.

Section 5.5 **Distributions with Respect to Unsurrendered Certificates**

No dividend or other distribution declared or made after the Effective Time with respect to Stratos Shares with a record date after the Effective Time shall be delivered to the holder of any unsurrendered certificate which, immediately prior to the Effective Time, represented outstanding Stratos Shares.

Section 5.6 **Withholding Rights**

CIP Acquireco, Stratos and the Depositary shall be entitled to deduct and withhold from the Cash Consideration, the Option Consideration (if and as applicable), all dividends or other distributions or any consideration otherwise payable to any Former Stratos Shareholder or former holder of Stratos Options under this Arrangement such amounts as CIP Acquireco, Stratos or the Depositary is required or permitted to deduct and withhold with respect to such payment under the Tax Act, the United States Internal Revenue Code of 1986 or any provision of any applicable federal, provincial, state, local or foreign tax law, in each case, as amended. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the Former Stratos Shareholder or former holder of Stratos Options, as the case may be, in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority.

Section 5.7 **Limitation and Proscription**

To the extent that a Former Stratos Shareholder shall not have complied with the provisions of Section 5.2 or Section 5.3 hereof on or before the date which is six years after the Effective Date (the “**final proscription date**”), then the aggregate Cash Consideration to which such Former Stratos Shareholder was entitled to receive shall be delivered to CIP Acquireco by the Depositary, and the interest of the Former Stratos Shareholder in such cash consideration to which it was entitled shall be terminated as of such final proscription date.

**ARTICLE VI
AMENDMENTS**

Section 6.1 **Amendments to Plan of Arrangement**

- (a) Subject to Section 6.1(b), (d) and (e), CIP Limited, CIP Acquireco and Stratos reserve the right to amend, modify or supplement this Plan of Arrangement at any time and from time to time, provided that each such amendment, modification or supplement must be (i) set out in writing, (ii) agreed to in writing by CIP Limited, CIP Acquireco and Stratos, (iii) filed with the Court and, if made following the Stratos Meeting, approved by the Court, and (iv) communicated to the holders of Stratos Shares if and as required by the Court.
- (b) Notwithstanding anything herein or in the Arrangement Agreement, CIP Limited and CIP Acquireco shall be entitled, at any time prior to or following the Stratos Meeting, to modify this Plan of Arrangement to increase the consideration CIP Acquireco is prepared to make available to Shareholders pursuant to the Arrangement, whether or not the Board of Directors of Stratos has changed its recommendation, provided that CIP Limited and CIP Acquireco shall use their commercially reasonable efforts to provide not less than one Business Day's prior written notice of such proposal to Stratos. Any such amendment, modification or supplement to this Plan of Arrangement shall become part of this Plan of Arrangement for all purposes.
- (c) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Stratos, CIP Limited or CIP Acquireco at any time prior to the Stratos Meeting, provided that Stratos, CIP Limited and CIP Acquireco shall have consented thereto in writing, with or without any other prior notice or communication. Any such proposed amendment, modification or supplement to this Plan of Arrangement shall become part of this Plan of Arrangement for all purposes.
- (d) Any amendment, modification or supplement to this Plan of Arrangement that is approved by the Court following the Stratos Meeting shall be effective only if (i) it is consented to in writing by each of CIP Limited, CIP Acquireco and Stratos, (ii) it is filed with the Court (other than amendments contemplated in Section 6.1(b) or (e), which shall not require such filing), and (iii) it is communicated to and, if required by the Court, consented to by holders of the Stratos Shares voting in the manner directed by the Court.
- (e) Any amendment, modification or supplement to this Plan of Arrangement may also be made following the Effective Date unilaterally by CIP Acquireco, provided that it concerns a matter which, in the reasonable opinion of CIP Acquireco, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of the Former Stratos Shareholders or the former holders of Stratos Options. Notwithstanding the foregoing, no amendment, modification or supplement to this Plan of Arrangement made following the Effective Date shall be effective prior to the issuance by the Director of a Certificate of Arrangement endorsing amended Articles of Arrangement.

**ARTICLE VII
GENERAL**

Section 7.1 **Further Assurances**

Notwithstanding that the transactions and events set out herein shall occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order further to document or evidence any of the transactions or events set out herein.

Section 7.2 **Paramountcy**

From and after the Effective Time (a) this Plan of Arrangement shall take precedence and priority over any and all rights related to Stratos Shares and Stratos Options issued prior to the Effective Time, (b) the rights and obligations of the holders of Stratos Shares and Stratos Options and any trustee and transfer agent therefor, shall be solely as provided for in this Plan of Arrangement, and (c) all actions, causes of actions, claims or proceedings (actual or contingent, and whether or not previously asserted) based on or in any way relating to Stratos Shares or Stratos Options shall be deemed to have been settled, compromised, released and determined without liability except as set forth herein.

ONTARIO
SUPERIOR COURT OF JUSTICE –
COMMERCIAL LIST

THE HONOURABLE)
)
JUSTICE COLIN L. CAMPBELL)

WEDNESDAY, THE 2ND DAY
OF MAY, 2007

IN THE MATTER OF SECTION 192 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, CHAP. C-44, AS AMENDED

AND IN THE MATTER OF AN APPLICATION BY STRATOS GLOBAL CORPORATION, RELATING TO A PROPOSED ARRANGEMENT INVOLVING STRATOS GLOBAL CORPORATION



INTERIM ORDER

THIS MOTION, made by the applicant Stratos Global Corporation ("Stratos"), for an interim order (the "Interim Order") for advice and directions of the Court in connection with an application (the "Application") to approve an arrangement under section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, Chap. C-44, as amended (the "CBCA"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Application issued April 27, 2007, the Notice of Motion dated April 30, 2007, the Affidavit of Alfred C. Giammarino sworn on April 27, 2007 (the "Affidavit") and the exhibits thereto, and on hearing the submissions of counsel for Stratos and counsel for CIP Canada Investment Inc. ("CIP Acquireco") and CIP UK Holdings Limited ("CIP Limited", and together with CIP Acquireco, "CIP"), no one appearing for the Director appointed pursuant to section 260 of the CBCA although served with notice of this motion and, on being advised of an arrangement agreement dated March 19, 2007 (the "Arrangement Agreement") between Stratos, CIP Acquireco, and CIP Limited (the "Arrangement Agreement Parties"), and on being advised of the consent to this Interim Order of each of the Arrangement Agreement Parties,

1. THIS COURT ORDERS that Stratos is authorized and directed to call, hold and conduct an annual and special meeting (the "Stratos Meeting") of the holders (the "Stratos Shareholders") of common shares of Stratos (the "Stratos Shares") on June 12, 2007 to consider and, if deemed advisable, to pass, with or without variation, a special resolution (the "Arrangement Resolution") to approve a plan of arrangement (the "Arrangement") substantially in the form set forth as Appendix "B" to the management proxy circular (the "Circular") attached as Exhibit "A" to the Affidavit.

2. THIS COURT ORDERS that the Stratos Meeting shall be called, held and conducted in accordance with the Notice of Annual and Special Meeting that forms part of the Circular (the "Notice of Meeting"), the CBCA and the articles and by-laws of Stratos, including quorum requirements, subject to the terms of this Interim Order and any further Order of this Court.

3. THIS COURT ORDERS that Stratos, if it deems it advisable, and subject to the terms of the Arrangement Agreement, is specifically authorized to adjourn or postpone the Stratos Meeting on one or more occasions, without the necessity of first convening the Stratos Meeting or first obtaining any vote of Stratos Shareholders respecting the adjournment or postponement, and notice of any such adjournment or postponement may be given by press release, newspaper advertisement or by notice to the Stratos Shareholders by one of the methods specified herein, as determined by the Board of Directors of Stratos.

4. THIS COURT ORDERS that the Notice of Meeting and the Circular (which will include the Notice of Application and this Interim Order), the form of proxy (the "Form of Proxy") and the form of letter of transmittal (collectively referred to as the "Meeting Materials") in substantially the same form as contained in Exhibits "A", "B" and "C" to the Affidavit (with such amendments, additional communications or documents thereto as counsel for Stratos may consider are necessary or desirable, provided that such amendments, communications or documents are not inconsistent with the terms of this Interim Order) shall be distributed to the Stratos Shareholders as at the Record Date (as established in paragraph 8 below), the directors of Stratos and the auditors of Stratos by one or more of the following

methods not less than twenty-one (21) days before the date of the Stratos Meeting, excluding the date of delivery and the date of the Stratos Meeting:

- (a) in the case of the registered holders of Stratos Shares, by prepaid ordinary mail, by courier, or by delivery in person, unless a holder has otherwise given consent to receipt of the Meeting Materials by electronic means in which case by electronic means, addressed to each such holder at his, her or its last known address, as shown on the books or records of Stratos;
- (b) in the case of non-registered holders of Stratos Shares, by providing sufficient multiple copies of the Meeting Materials to intermediaries and registered nominees to facilitate the broad distribution of the Meeting Materials to non-registered holders of Stratos Shares, in accordance with National Instrument No. 54-101 of the Canadian Securities Administrators;
- (c) in the case of the directors of Stratos, by courier, by delivery in person or by electronic means, addressed to the individual directors; and
- (d) in the case of the auditors of Stratos, by courier, by delivery in person or by electronic means, addressed to the firm of auditors,

and that such distribution shall constitute good and sufficient notice of the Application, the Stratos Meeting and the hearing in respect of the Application upon such persons.

5. THIS COURT ORDERS that Stratos is hereby authorized to distribute the Notice of Application, this Interim Order, the Circular, and any other communications or documents determined by Stratos to be necessary or desirable (collectively, the "Court Materials") to the holders of options ("Stratos Options") by prepaid ordinary mail, by courier, by delivery in person or by electronic means, addressed to each such holder ("Stratos Option Holder") at his, her or its last known address, as shown on the books or records of Stratos, and that such distribution shall constitute good and sufficient notice of the Application and the hearing in respect of the Application upon such persons. The Stratos Option Holders are hereby made parties to this proceeding.

6. THIS COURT ORDERS that the Meeting Materials and the Court Materials shall be deemed, for the purposes of this Interim Order and the Application, to have been received:

- (a) in the case of distribution by ordinary prepaid mail, three (3) business days after delivery thereof to the post office;

- (b) in the case of distribution by courier, one (1) business day after receipt by the courier;
- (c) in the case of distribution by delivery in person, on receipt thereof by the intended addressee; and
- (d) in the case of distribution by electronic means, upon the transmission thereof.

7. THIS COURT ORDERS that notice, if required to be given, of any amendments, updates or supplements to any of the information provided in the Meeting Materials or the Court Materials may be communicated to Stratos Shareholders, Stratos Option Holders and the other persons entitled to receive notice under paragraphs 4 and 5 above by press release, newspaper advertisement or notice by one of the methods specified in paragraph 6 above as determined by the Board of Directors of Stratos. Any amendments, updates or supplements to any of the Meeting Materials, and any notice of any adjournment of postponement of the Stratos Meeting, will be deemed to have been received by the Stratos Shareholders and Stratos Option Holders in the case of mailing, courier, delivery in person, facsimile transmission or transmission by electronic means, within the times provided in paragraph 6 above and, in the case of advertisement or press release, at the time of publication of the advertisement or the issuance of the press release.

8. THIS COURT ORDERS that the record date for determining Stratos Shareholders entitled to receive the Meeting Materials and to vote at the Stratos Meeting, and Stratos Option Holders entitled to receive the Court Materials, shall be the close of business (Toronto time) on May 1, 2007 (the "Record Date").

9. THIS COURT ORDERS that the accidental failure or omission to give notice of the Stratos Meeting or the within Application, or the non-receipt of such notice, shall not invalidate any resolution passed or proceedings taken at the Stratos Meeting and shall not constitute a breach of this Interim Order, but if any such failure or omission is brought to the attention of Stratos, then Stratos shall use reasonable efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

10. THIS COURT ORDERS that Stratos and CIP are authorized to use the Form of Proxy in substantially the same form attached as Exhibit "B" to the Affidavit, subject to

Stratos' ability to insert dates and other relevant information in the final Form of Proxy. Stratos and CIP are each authorized to solicit proxies, directly and through their officers, directors and employees, and through such agents or representatives including professional proxy solicitation firms as they may retain for the purpose, and by mail or such other forms of personal or electronic communication as they may determine, subject to the terms of the Arrangement Agreement and this Interim Order.

11. THIS COURT ORDERS that Stratos may, in its discretion, waive generally the time limits for the deposit of proxies by the Stratos Shareholders, if Stratos deems it advisable to do so, subject to the terms of the Arrangement Agreement.

12. THIS COURT ORDERS that the votes shall be taken at the Stratos Meeting on the basis that each holder of Stratos Shares is entitled to one vote for each Stratos Share held and that, subject to further Order of this Court, the vote required to pass and approve the Arrangement Resolution shall be the affirmative vote of not less than 66 2/3% of the votes cast on the Arrangement Resolution (for this purpose any spoiled votes, illegible votes, defective votes and abstentions shall be deemed not to be votes cast) by the Stratos Shareholders, present in person or represented by proxy at the Stratos Meeting. Proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

13. THIS COURT ORDERS that the only persons entitled to attend or speak at the Stratos Meeting shall be: (a) the Stratos Shareholders of record as at the Record Date, or their respective proxies; (b) the officers, directors, auditors and advisors of Stratos; (c) representatives of the other Arrangement Agreement Parties; (d) the CBCA Director or a representative of the CBCA Director; and (e) other persons with the permission of the Chairman of the Stratos Meeting.

14. THIS COURT ORDERS that Stratos, CIP Limited and CIP Acquireco are authorized to make such amendments, revisions or supplements to the Arrangement as any of them may determine are appropriate, subject to the terms of the Arrangement Agreement, the Arrangement and this Interim Order, without any additional notice to the Stratos Shareholders unless otherwise ordered by the Court, and that the Arrangement as so amended, revised or

supplemented shall be the Arrangement submitted to the Stratos Meeting and the subject of the Arrangement Resolution.

15. THIS COURT ORDERS that registered holders of Stratos Shares shall be entitled to exercise rights of dissent with respect to the Arrangement Resolution in accordance with and in compliance with section 190 of the CBCA except as the procedures of that section are varied by this paragraph and the Arrangement, provided that any registered holders of Stratos Shares who wish to dissent (a) must have as a condition precedent thereto provided a written dissent notice objecting to the Arrangement Resolution to Stratos at 34 Harvey Road, St. John's, Newfoundland and Labrador, A1C 2G1 (Attention: Corporate Secretary), or by fax to +1 (709) 724-5315 (Attention: Corporate Secretary), at or before 5:00 p.m. (Toronto time) on June 11, 2007 (or, if the Meeting is adjourned or postponed, on the business day prior to the Meeting), and (b) must otherwise strictly comply with section 190 of the CBCA. For the purposes of these proceedings, the "court" referred to in section 190 of the CBCA means this Honourable Court.

16. THIS COURT ORDERS that, notwithstanding section 190(3) of the CBCA, CIP Acquireco, not Stratos, shall be required to offer to pay fair value, as of the day prior to approval of the Arrangement Resolution, for Stratos Shares held by registered holders who duly exercise dissent rights, and to pay the amount to which such registered holders may be entitled pursuant to the terms of the Arrangement. In accordance with the Arrangement and the Circular, all references to the "corporation" in subsections 190(3) and 190(11) to 190(26), inclusive, of the CBCA (except for the second reference to the "corporation" in subsection 190(12) and the two references to the "corporation" in subsection 190(17)) shall be deemed to refer to "CIP Acquireco" in place of the "corporation", and CIP Acquireco shall have all of the rights, duties and obligations of the "corporation" under subsections 190(3) and 190 (11) to 190 (26), inclusive, of the CBCA.

17. THIS COURT ORDERS that registered Stratos Shareholders who duly exercise such dissent rights set out in paragraph 15 above and who:

- a. are ultimately entitled to be paid fair value for their Stratos Shares, shall be deemed to have transferred such Stratos Shares as of the

Effective Time, without any further act or formality and free and clear of all liens, claims and encumbrances, to CIP Acquireco and the Trustee as set forth in the Arrangement for cancellation in consideration for a payment of cash from CIP Acquireco equal to such fair value; or

- b. are ultimately not to be entitled, for any reason, to be paid fair value for their Stratos Shares, shall be deemed to have participated in the Arrangement as of the Effective Time, on the same basis as a non-dissenting holder of Stratos Shares;

but in no case shall Stratos, CIP Acquireco or any other person or entity be required to recognize such dissenting shareholders as holders of Stratos Shares after the Effective Time, and the names of such dissenting shareholders shall be deleted from the registers of the holders of Stratos Shares at the Effective Time.

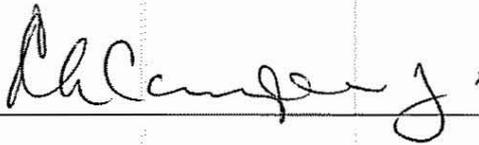
18. THIS COURT ORDERS that upon approval by the Stratos Shareholders of the Arrangement in the manner set forth in this Interim Order, Stratos may apply to this Court on June 19, 2007, or such later date as the Application may be adjourned to, for approval of the Arrangement. The distribution and delivery of the Notice of Application herein, in accordance with paragraphs 4, 5 and 6 of this Interim Order, shall constitute good and sufficient service of the Notice of Application pursuant to this Interim Order and no other form of service need be made and no other material need be served on such persons in respect of these proceedings, unless a Notice of Appearance is served on Stratos' solicitors as set out below, not later than seven days before the hearing of the Application.

19. THIS COURT ORDERS that the only persons entitled to notice of any further proceedings herein, including the hearing to approve the Arrangement, and entitled to appear and to be heard thereon, shall be (a) solicitors for Stratos, (b) solicitors for CIP Limited and CIP Acquireco, (c) solicitors for Inmarsat plc and (d) persons who have delivered a Notice of Appearance herein in accordance with the Rules of Civil Procedure and this Interim Order, including service of said notice on Stratos' solicitors, Blake, Cassels & Graydon LLP, P.O. Box 25, 199 Bay Street, Commerce Court West, Toronto, Ontario M5L 1A9, Attention: Jeff

Galway, with a copy to Osler, Hoskin & Harcourt LLP, Box 50, 1 First Canadian Place, Toronto, Ontario, M5X 1B8, Attention: Laura Fric / Craig Lockwood.

20. THIS COURT ORDERS that Stratos shall be entitled, at any time, to seek leave to vary this Interim Order.

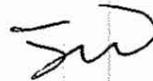
21. THIS COURT ORDERS that, to the extent of any inconsistency or discrepancy with respect to the matters provided for in this Interim Order and the terms of any instrument creating, governing or collateral to the Stratos Shares or Stratos Options or the articles or by-laws of Stratos, this Interim Order shall govern.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

MAY 02 2007

PER/PAR:



IN THE MATTER OF SECTION 192 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, CHAP. C-44, AS AMENDED

Court File No: 07-CL-6964

AND IN THE MATTER OF AN APPLICATION BY STRATOS GLOBAL CORPORATION, RELATING TO A PROPOSED ARRANGEMENT INVOLVING STRATOS GLOBAL CORPORATION

**ONTARIO
SUPERIOR COURT OF JUSTICE-
COMMERCIAL LIST**

Proceeding commenced at Toronto

INTERIM ORDER

BLAKE, CASSELS & GRAYDON LLP
Barristers & Solicitors
Box 25, Commerce Court West
Toronto, Ontario M5L 1A9

Jeff Galway LSUC#: 28423P
Tel: (416) 863-3859
Fax: (416) 863-2653

Brad Cran LSUC#: 45622D
Tel: (416) 863-5821
Fax: (416) 863-2653

Solicitors for the Applicant,
Stratos Global Corporation

07-Ch-6964

APPENDIX "D"
NOTICE OF APPLICATION FOR FINAL ORDER Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE –
COMMERCIAL LIST

IN THE MATTER OF SECTION 192 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, CHAP. C-44, AS AMENDED

AND IN THE MATTER OF AN APPLICATION BY STRATOS GLOBAL CORPORATION RELATING TO A PROPOSED ARRANGEMENT INVOLVING STRATOS GLOBAL CORPORATION



NOTICE OF APPLICATION

TO THE RESPONDENT:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the applicant. The claim made by the applicant appears on the following page.

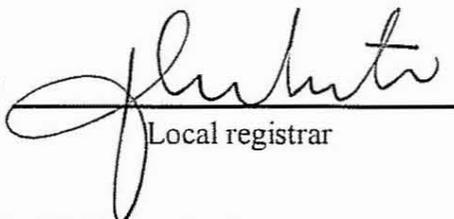
THIS APPLICATION will come on for a hearing on Tuesday, June 19, 2007 at 10:00 a.m. before a judge presiding over the Commercial List at 330 University Avenue, 8th Floor, Toronto, Ontario.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the Rules of Civil Procedure, serve it on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but not later than 2 days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date: April 27th, 2007

Issued by 
Local registrar

Address of court office 330 University Avenue
7th Floor
Toronto, Ontario

- TO: ALL HOLDERS OF COMMON SHARES
OF STRATOS GLOBAL CORPORATION**
- AND TO: ALL HOLDERS OF OPTIONS TO PURCHASE
COMMON SHARES OF STRATOS GLOBAL
CORPORATION**
- AND TO: ALL DIRECTORS OF STRATOS GLOBAL
CORPORATION**
- AND TO: THE AUDITOR OF STRATOS GLOBAL
CORPORATION**
- AND TO: THE DIRECTOR APPOINTED UNDER THE
*CANADA BUSINESS CORPORATIONS ACT***
- AND TO: OSLER, HOSKIN & HARCOURT LLP**
Barristers & Solicitors
Box 50, 1 First Canadian Place
Toronto, Canada M5X 1B8

Laura K. Fric (LSUC #: 36545Q)
Craig T. Lockwood (LSUC#: 46668M)

Tel: (416) 362-2111
Fax: (416) 862-6666

Solicitors for CIP Canada
Investment Inc. and
CIP UK Holdings Limited

APPLICATION

1. The applicant Stratos Global Corporation (“Stratos”) makes application for:
 - (a) An order pursuant to section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, Chap. c-44 as amended (the “CBCA”) approving a Plan of Arrangement (the “Arrangement”) proposed by Stratos substantially in the form described in the Management Proxy Circular (the “Circular”) attached as Exhibit “A” to the Affidavit of Alfred C. Giammarino to be filed in support of this Application;
 - (b) An interim order (the “Interim Order”) for the advice and directions of this Court pursuant to subsection 192(4) of the CBCA with respect to the Arrangement and this Application; and
 - (c) Such further and other relief as this Court may deem just.

2. The grounds for the Application are:
 - (a) Stratos is a corporation continued under, and governed by, the CBCA;
 - (b) All statutory requirements under the CBCA either have been fulfilled or will be fulfilled by the date of the return of this Application;
 - (c) There is no practicable way to effect the Arrangement other than under section 192 of the CBCA;
 - (d) Stratos is not insolvent;
 - (e) The Arrangement is fair and reasonable;
 - (f) The Arrangement is in the best interests of Stratos, and is put forward in good faith;
 - (g) The directions set out in the Interim Order and the shareholder approval required pursuant to the Interim Order will be followed and obtained by the date of the return of this Application;

- (h) Certain of the holders of the common shares and options of Stratos are resident outside of Ontario and will be served at their addresses as they appear on the books and records of Stratos as at May 1, 2007, being the record date established by Stratos, pursuant to Rules 17.02(n) and 17.02(o) of the *Rules of Civil Procedure* and the terms of any Interim Order granted by this Honourable Court;
 - (i) Section 192 of the CBCA;
 - (j) National Instrument No. 54-101 of the Canadian Securities Administrators;
 - (k) Rules 1.04, 14.05(2), 17.02, 37 and 38 of the *Rules of Civil Procedure*; and
 - (l) Such further and other grounds as counsel may advise and this Court may deem just.
3. The following documentary evidence will be used at the hearing of the Application:
- (a) Such Interim Order as may be granted by this Court;
 - (b) The Affidavit of Alfred C. Giammarino to be sworn, and the exhibits thereto;
 - (c) Such further affidavits to be sworn, and the exhibits thereto, on behalf of Stratos, reporting as to the compliance with any Interim Order of this Court and as to the result of any meetings conducted pursuant to such by any Interim Order; and
 - (d) Such further and other material as counsel may advise and this Court may deem just.

April 27, 2007

BLAKE, CASSELS & GRAYDON LLP
Barristers & Solicitors
Box 25, Commerce Court West
Toronto, Ontario M5L 1A9

Jeff Galway LSUC#: 28423P
Tel: (416) 863-3859

Brad Cran LSUC#: 45622D

Tel: (416) 863-5821

Fax: (416) 863-2653

Solicitors for the Applicant,
Stratos Global Corporation

IN THE MATTER OF SECTION 192 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, CHAP. C-44, AS AMENDED

Court File No:

AND IN THE MATTER OF AN APPLICATION BY STRATOS GLOBAL CORPORATION RELATING TO A PROPOSED ARRANGEMENT INVOLVING STRATOS GLOBAL CORPORATION

**ONTARIO
SUPERIOR COURT OF JUSTICE-
COMMERCIAL LIST**

Proceeding commenced at Toronto

NOTICE OF APPLICATION

BLAKE, CASSELS & GRAYDON LLP
Barristers & Solicitors
Box 25, Commerce Court West
Toronto, Ontario M5L 1A9

Jeff Galway LSUC#: 28423P
Tel: (416) 863-3859
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Tel: (416) 863-5821
Fax: (416) 863-2653

Solicitors for the Applicant,
Stratos Global Corporation



Bear, Stearns & Co. Inc.
383 Madison Avenue
New York, NY 10179
Tel (212) 272-2000
www.bearstearns.com

APPENDIX "E"
FAIRNESS OPINION OF BEAR STEARNS

As of March 18, 2007

The Board of Directors
Stratos Global Corporation
6901 Rockledge Drive, Suite 900
Bethesda, MD 20817

Ladies and Gentlemen:

We understand that Stratos Global Corporation ("Stratos"), CIP UK Holdings Limited ("CIP Holdco") and CIP Canada Investment Inc. ("CIP Acquireco"), a wholly owned subsidiary of CIP UK Holdings Limited ("CIP Holdco"), intend to enter into an Arrangement Agreement to be dated March 19, 2007 (the "Arrangement Agreement"), pursuant to which all of Stratos' issued and outstanding common shares will be acquired at a price per share of C\$6.40 in cash (the "Sale Price") by CIP Acquireco (the "Arrangement"). We further understand that the Stratos common shares acquired by CIP Acquireco shall be deposited with and held by a Trustee pursuant to the Trust Agreement (as defined in the Arrangement Agreement). Furthermore, Inmarsat plc (together with its affiliates, "Inmarsat"), through its wholly owned subsidiary, Inmarsat Finance III Limited ("Inmarsat Financeco"), has agreed to provide financial assistance to CIP Holdco pursuant to the Facility Agreement (as defined in the Arrangement Agreement) to permit CIP Holdco and CIP Acquireco to consummate the Arrangement. Contemporaneous with entering into the Facility Agreement, Communications Investment Partners Limited ("CIP"), the sole owner of CIP Holdco, has granted Inmarsat Financeco an option to acquire all of the outstanding share capital of CIP Holdco pursuant to the Call Option Agreement (as defined in the Arrangement Agreement), and Inmarsat has agreed to provide certain undertakings to Stratos pursuant to a letter agreement to be entered with Stratos (the "Letter Agreement"). You have provided us with drafts of the Trust Agreement, the Commitment Letter (as defined in the Arrangement Agreement), the Call Option Agreement, the Letter Agreement and the Arrangement Agreement (collectively, the "Arrangement Documentation") in substantially final form.

You have asked us to render our opinion as to whether the Sale Price is fair, from a financial point of view, to the holders of Stratos common shares.

In the course of performing our review and analyses for rendering this opinion, we have:

- reviewed drafts of the Arrangement Documentation, dated March 16, 2007;
- reviewed Stratos' Annual Reports, its Annual Information Forms and its audited consolidated financial statements for the years ended December 31, 2004, 2005 and 2006 and Stratos' Reports on Form 6-K filed since November 3, 2006;
- reviewed Stratos' interim reports and unconsolidated financial statements filed since December 31, 2005;

- reviewed certain operating and financial information relating to Stratos' business and prospects, including projections under various assumed operating scenarios for the five years ended December 31, 2011 (the "Projections"), all as prepared and provided to us by Stratos' management;
- met with certain members of Stratos' senior management to discuss Stratos' business, operations, historical and projected financial results and future prospects;
- reviewed the historical prices, trading multiples and trading volume of the common shares of Stratos;
- performed discounted cash flow analyses based on the Projections;
- reviewed the terms of recent mergers and acquisitions involving companies which we deemed generally comparable to Stratos;
- reviewed publicly available financial data, stock market performance data and trading multiples of companies which we deemed generally comparable to Stratos; and
- conducted such other studies, analyses, inquiries and investigations as we deemed appropriate.

We have relied upon and assumed, without independent verification, the accuracy and completeness of the financial and other information provided to or discussed with us by Stratos or obtained by us from public sources, including, without limitation, the Projections. With respect to the Projections, we have relied on representations that they have been reasonably prepared on bases reflecting the best currently available estimates and judgments of the senior management of Stratos as to the expected future performance of Stratos. We have not assumed any responsibility for the independent verification of any such information, including, without limitation, the Projections, and we have further relied upon the assurances of the senior management of Stratos that they are unaware of any facts that would make the information and Projections incomplete or misleading.

In arriving at our opinion, we have not performed or obtained any independent appraisal of the assets or liabilities (contingent or otherwise) of Stratos, nor have we been furnished with any such appraisals. In rendering our opinion, we have not solicited, nor were we asked to solicit, third party acquisition interest in Stratos. We have assumed that the Arrangement will be consummated in a timely manner and in accordance with the terms of the Arrangement Documentation without any limitations, restrictions, conditions, amendments or modifications, regulatory or otherwise, that collectively would have a material effect on Stratos. We have further assumed that the shareholders of Stratos will receive the Sale Price upon consummation of the Arrangement and will be subject to no obligation or liability with respect thereto as a result of the structure contemplated by the Arrangement Documentation or otherwise.

We do not express any opinion as to the price or range of prices at which Stratos' common shares may trade subsequent to the announcement of the proposed Arrangement.

We have acted as a financial advisor to Stratos in connection with the Arrangement and will receive a customary fee for such services, a substantial portion of which is contingent on successful consummation of the Arrangement. In addition, Stratos has agreed to reimburse us for certain expenses and to indemnify us against certain liabilities arising out of our engagement. Bear, Stearns & Co. Inc. and its affiliates may seek to provide Stratos, CIP and/or Inmarsat and their respective affiliates certain investment banking and other services unrelated to the Arrangement in the future.

Consistent with applicable legal and regulatory requirements, we have adopted policies and procedures to establish and maintain the independence of our research departments and personnel. As a result, our research analysts may hold views, make statements or investment recommendations and/or publish research reports with respect to Stratos, CIP, Inmarsat, the Arrangement and other participants in the Arrangement that differ from the views of our investment banking personnel.

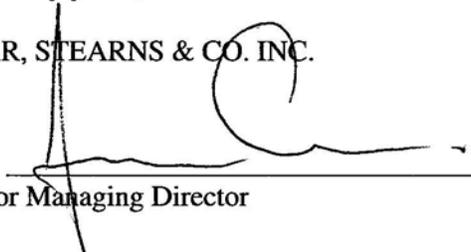
In the ordinary course of business, Bear, Stearns & Co. Inc. and its affiliates may actively trade for its own account and for the accounts of its customers equity and debt securities, bank debt and/or other financial instruments issued by Stratos, CIP and/or Inmarsat and their respective affiliates, as well as derivatives thereof, and, accordingly, may at any time hold long or short positions in such securities, bank debt, financial instruments and derivatives. Notwithstanding the fee arrangement and the relationship between us and Stratos and our other activities described herein, we believe that we are independent of Stratos.

It is understood that this letter is intended solely for the benefit and use of the Board of Directors of Stratos and does not constitute a recommendation to the Board of Directors of Stratos or any holders of Stratos' common shares as to how to vote in connection with the Arrangement or otherwise. This opinion does not address Stratos' underlying business decision to pursue the Arrangement, the relative merits of the Arrangement as compared to any alternative business strategies that might exist for Stratos, the financing of the Arrangement or the effects of any other transaction in which Stratos might engage. This letter is not to be used for any other purpose, or be reproduced, disseminated, quoted from or referred to at any time, in whole or in part, without our prior written consent; provided, however, that this letter may be included in its entirety in any management proxy circular to be distributed to the holders of Stratos' common shares in connection with the Arrangement. Our opinion is subject to the assumptions, limitations, qualifications and other conditions contained herein and is necessarily based on economic, market and other conditions, and the information made available to us, as of the date hereof. We assume no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof.

Based on and subject to the foregoing, it is our opinion that, as of the date hereof, the Sale Price is fair, from a financial point of view, to the holders of Stratos common shares.

Very truly yours,

BEAR, STEARNS & CO. INC.

By: 
Senior Managing Director



APPENDIX "F"
FAIRNESS OPINION OF RBC CAPITAL MARKETS

RBC Dominion Securities Inc.
P.O. Box 50
Royal Bank Plaza
Toronto, Ontario M5J 2W7
Telephone: (416) 842-2000

March 18, 2007

The Special Committee of the Board of Directors and the Board of Directors
Stratos Global Corporation
6901 Rockledge Drive, Suite 900
Bethesda, MD 20817

To the Special Committee and the Board:

RBC Dominion Securities Inc. ("RBC"), a member company of RBC Capital Markets, understands that Stratos Global Corporation (the "Company") and CIP Canada Investment Inc. ("Acquireco" or "CIP Canada"), a wholly-owned subsidiary of Communications Investment Partners Limited ("CIP"), a professional investment company with a focus on satellite services, propose to enter into an agreement (the "Arrangement Agreement") in respect of a plan of arrangement (the "Arrangement") pursuant to which holders (the "Shareholders") of common shares of the Company (the "Shares") will receive consideration of C\$6.40 in cash per Share. The Arrangement will be indirectly financed by a wholly owned subsidiary of Inmarsat plc ("Inmarsat"), Inmarsat Finance III Limited ("Inmarsat Finance"). Pursuant to the call option agreement between CIP and Inmarsat Finance (the "Call Option Agreement"), Inmarsat Finance will have a call option exercisable beginning in April 2009, and expiring in December 2010, to acquire 100 percent of the Company from CIP, but will not have any legal ownership in, or managerial control of, the Company. The terms of the Arrangement are more fully described in a management proxy circular (the "Circular"), which will be mailed to Shareholders in connection with the Arrangement.

The Company has retained RBC to provide advice and assistance to the board of directors (the "Board") of the Company and the Special Committee of the Board of Directors (the "Special Committee") in evaluating the Arrangement, including the preparation and delivery to the Board and Special Committee of RBC's opinion as to the fairness of the consideration under the Arrangement from a financial point of view to the Shareholders (the "Fairness Opinion"). The Fairness Opinion has been prepared in accordance with the guidelines of the Investment Dealers Association of Canada. RBC has not prepared a valuation of the Company or any of its securities or assets and the Fairness Opinion should not be construed as such.

All dollar amounts herein are expressed in U.S. dollars, unless stated otherwise.

Engagement

The Company initially contacted RBC regarding a potential advisory assignment in early May 2006, and RBC was formally engaged through an agreement between the Company and RBC (the "Engagement Agreement") dated as of May 25, 2006. The Engagement Agreement provides the terms upon which RBC has agreed to act as the Company's financial advisor in connection with providing financial analysis and advice on structuring, planning and negotiating strategic alternatives for the Company. The Engagement Agreement also provides the terms upon which RBC has agreed to provide the Fairness Opinion. The terms of the Engagement Agreement provide that RBC is to be paid a fee for its services as financial advisor, including fees that are contingent on a change of control of the Company. In addition, RBC is to be reimbursed for its reasonable out-of-pocket

expenses and to be indemnified by the Company in certain circumstances. The Company and RBC entered into an amended Engagement Agreement dated as of October 25, 2006, which outlined that RBC would no longer act as the exclusive financial advisor to the Company. From this date, RBC did not advise or engage in any work for the Company until the Company contacted RBC on March 3, 2007 regarding the provision of the Fairness Opinion. RBC consents to the inclusion of the Fairness Opinion in its entirety and a summary thereof in the Circular and to the filing thereof, as necessary, by the Company with the securities commissions or similar regulatory authorities in each province of Canada.

Relationship With Interested Parties

Neither RBC, nor any of its affiliates is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario)) of the Company, CIP, CIP Canada, Inmarsat, Inmarsat Finance or any of their respective associates or affiliates. RBC has not been engaged to provide any financial advisory services nor has it participated in any financing involving the Company, CIP, CIP Canada, Inmarsat, Inmarsat Finance or any of their respective associates or affiliates within the past two years, other than the services provided under the Engagement Agreement and as otherwise noted herein. In February 2006, RBC acted as exclusive financial advisor to the Company on its acquisition of Xantic B.V., as well as served as lead manager for the financing of the Xantic transaction.

RBC acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of the Company, Inmarsat or any of their respective associates or affiliates and, from time to time, may have executed or may execute transactions on behalf of such companies or clients for which it received or may receive compensation. As an investment dealer, RBC conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including with respect to the Company, Inmarsat or the Arrangement.

Notwithstanding the relationship between RBC and the Company, or any of the fee arrangements described herein, RBC believes it is independent of the Company.

Credentials of RBC Capital Markets

RBC is one of Canada's largest investment banking firms, with operations in all facets of corporate and government finance, corporate banking, mergers and acquisitions, equity and fixed income sales and trading and investment research. RBC also has significant operations in the United States and internationally. The Fairness Opinion expressed herein represents the opinion of RBC and the form and content herein have been approved for release by a committee of its directors, each of whom is experienced in merger, acquisition, divestiture and fairness opinion matters.

Scope of Review

In connection with our Fairness Opinion, we have reviewed and relied upon or carried out, among other things, the following:

1. the most recent draft, dated March 16, 2007, of the Arrangement Agreement;
2. the most recent draft, dated March 14, 2007, of the Letter Agreement between Inmarsat and the Company;

3. the most recent draft, dated March 6, 2007, of the Call Option Agreement between CIP and Inmarsat Finance;
4. audited financial statements of the Company for each of the three years ended December 31, 2004, 2005 and 2006;
5. audited interim reports of the Company for each of the quarters ended March 31, June 30 and September 30, 2006;
6. annual reports of the Company for each of the two years ended December 31, 2004 and 2005;
7. the Notice of Annual Meeting of Shareholders and Management Information Circular of the Company for the year ended December 31, 2005;
8. annual information form of the Company for the year ended December 31, 2005;
9. Registration Statement on Form S-4 for the exchange offer in respect of \$150 million principal amount of the Company's 9 7/8% senior notes declared effective by the US Securities and Exchange Commission (SEC) on September 19, 2007;
10. audited financial statements of Inmarsat for each of the two years ended December 31, 2004 and 2005;
11. unaudited financial statements of Inmarsat for the year ended December 31, 2006;
12. annual reports of Inmarsat for each of the two years ended December 31, 2004 and 2005;
13. historical segmented financial information of the Company for each of the two years ended December 31, 2005 and 2006;
14. detailed budget and business plan for 2007 prepared by the management of the Company ("Management") and approved by the Board;
15. unaudited forecast financial statements for the Company on a consolidated basis and segmented by business unit prepared by Management for the years ending December 31, 2007 through 2008 (the "Management Forecasts");
16. unaudited projected income statements for the Company on a consolidated basis and segmented by business unit prepared by management of the Company for the years ended December 31, 2009 through 2011 (the "Management Projections");
17. discussions with Management;
18. discussions with the Company's legal counsel;
19. public information relating to the business, operations, financial performance and stock trading history of the Company, Inmarsat and other selected public companies considered by us to be relevant;
20. public information with respect to other transactions of a comparable nature considered by us to be relevant;
21. public information regarding the mobile satellite, fixed satellite and other relevant communications businesses;
22. representations contained in a certificate addressed to us, dated as of the date hereof, from senior officers of the Company as to the completeness and accuracy of the information upon which the Fairness Opinion is based; and
23. such other corporate, industry and financial market information, investigations and analyses as RBC considered necessary or appropriate in the circumstances.

RBC has not, to the best of its knowledge, been denied access by the Company to any information requested by RBC. RBC did not meet with the auditors of the Company and has assumed the accuracy and fair representation of and relied upon the audited consolidated financial statements of the Company and reports of the auditors thereon.

Assumptions and Limitations

With the Board's approval and as provided for in the Engagement Agreement, RBC has relied upon the completeness, accuracy and fair presentation of all of the financial and other information, data, advice, opinions or representations obtained by it from public sources, Management, and their consultants and advisors (collectively, the "Information"). The Fairness Opinion is conditional upon such completeness, accuracy and fair presentation of such Information. Subject to the exercise of professional judgment and except as expressly described herein, we have not attempted to verify independently the completeness, accuracy or fair presentation of any of the Information.

Senior officers of the Company have represented to RBC in a certificate delivered as of the date hereof, among other things, that (i) the Information (as defined above) provided orally by, or in the presence of, an officer or employee of the Company or in writing by the Company or any of its subsidiaries or their respective agents to RBC for the purpose of preparing the Fairness Opinion was, at the date the Information was provided to RBC, and is complete, true and correct in all material respects, and did not and does not contain any untrue statement of a material fact in respect of the Company, its subsidiaries or the Arrangement and did not and does not omit to state a material fact in respect of the Company, its subsidiaries or the Arrangement necessary to make the Information or any statement contained therein not misleading in light of the circumstances under which the Information was provided or any statement was made; and that (ii) since the dates on which the Information was provided to RBC, except as disclosed in writing to RBC, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its subsidiaries and no material change has occurred in the Information or any part thereof.

In preparing the Fairness Opinion, RBC has made several assumptions, including that all of the conditions required to implement the Arrangement will be met.

The Fairness Opinion is rendered on the basis of securities markets, economic, financial and general business conditions prevailing as at the date hereof and the condition and prospects, financial and otherwise, of the Company and its subsidiaries and affiliates, as they were reflected in the Information and as they have been represented to RBC in discussions with Management. In its analyses and in preparing the Fairness Opinion, RBC made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of RBC or any party involved in the Arrangement.

The Fairness Opinion has been provided for the use of the Board and the Special Committee and may not be used by any other person or relied upon by any other person other than the Board and the Special Committee without the express prior written consent of RBC. The Fairness Opinion is given as of the date hereof and RBC disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Fairness Opinion which may come or be brought to RBC's attention after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Fairness Opinion after the date hereof, RBC reserves the right to change, modify or withdraw the Fairness Opinion.

RBC believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together,

could create a misleading view of the process underlying the Fairness Opinion. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. The Fairness Opinion is not to be construed as a recommendation to any Shareholder as to whether to vote in favour of the Arrangement.

Overview of the Company

The Company is a global provider of a range of advanced mobile and fixed-site remote communications solutions for users operating beyond the reach of traditional networks. The Company serves the voice and high-speed data connectivity requirements of an array of markets (including government, military, energy, industrial, maritime, aeronautical, enterprise, media and recreational users throughout the world) through its owned-and-operated infrastructure and portfolio of satellite and microwave technologies (including Inmarsat, Iridium, Globalstar, Very Small Aperture Terminal ("VSAT"), and others).

The Company's reportable segments are Mobile Satellite Services ("MSS") and Broadband. The MSS segment includes the sale of airtime and equipment for the Company's Inmarsat, Iridium, aeronautical and other mobile satellite operations. The Broadband segment includes the sale of airtime, equipment and services for the Company's microwave and VSAT operations.

For the year ended December 31, 2006, the Company reported revenue and net (loss) earnings of \$537.8 million and (\$26.7) million, respectively.

Fairness Analysis

Approach to Fairness

In considering the fairness of the consideration under the Arrangement from a financial point of view to the Shareholders, RBC principally considered and relied upon: (i) a comparison of the consideration under the Arrangement to the results of a discounted cash flow ("DCF") analysis of the Company, (ii) a comparison of multiples implied by the Arrangement to an analysis of multiples paid in recent precedent transactions in the MSS industry, and (iii) a comparison of the consideration under the Arrangement to the recent market trading prices of the Shares.

RBC also reviewed the market trading multiples of public companies involved in the VSAT industry from the perspective of whether a public market analysis might exceed DCF or precedent transaction values. However, RBC notes that the Company's mix of businesses is significantly different than those of the companies reviewed and thus determined that there are no publicly traded companies focused on providing mobile satellite services similar to the Company. Given the foregoing and that public company values generally reflect minority discount values rather than "en bloc" values, RBC did not rely on this methodology.

Discounted Cash Flow Analysis

The DCF approach takes into account the amount, timing and relative certainty of projected unlevered free cash flows expected to be generated by the Company. The DCF approach requires that certain assumptions be made regarding, among other things, future cash flows, discount rates and terminal values. The possibility that some of the assumptions will prove to be inaccurate is one factor involved in the determination of the discount rates to be used in establishing a range of values.

Assumptions

As a basis for the development of projected future cash flows, RBC reviewed the Management Forecasts for the period 2007 to 2008 and the Management Projections for the period 2009 to 2011 as prepared by Management and reviewed by the Special Committee and the Board in October 2006. The Management Forecasts are detailed forecasts for 2007 and 2008 for the Company based on the existing Commercial Framework Agreement ("CFA") with Inmarsat. The CFA expires in April 2009 and covers, among other things, the distribution of various Inmarsat services by the Company. The Management Projections consist of four potential earnings scenarios for the Company subsequent to the renegotiation of the CFA with Inmarsat. Management's Case A and Case B both assume that Inmarsat renews the CFA in substantially its current form. Case A assumes upside versus Case B in both Inmarsat and Broadband services revenue due to more favorable market conditions. Management's Case C and Case D both assume that Inmarsat renegotiates the CFA in 2009 and begins to compete directly with the Company for sales to certain MSS customers. Case C assumes Inmarsat takes a gradual competitive approach and Case D assumes Inmarsat takes a more aggressive competitive approach.

RBC focused on Case B and a modified Case C for its analysis as Management believed these represented the range of outcomes with the highest probability. Modifications to Case C were developed independently by RBC with the benefit of understanding the assumptions behind the Management Forecast and conversations with Management. In developing the modifications to Case C as well as sensitivity analyses performed, RBC gave consideration to a number of factors, including the outlook for the Company and the implications of fundamental changes to the distribution structure that may be imposed by Inmarsat post April 2009 upon renegotiation of the CFA.

Assumptions for Management's Case B

Management's Case B projections were based on the assumption that Inmarsat renews the CFA in essentially its current form and that the Company does not lose any Inmarsat related revenue in the future attributable to changes in the distribution arrangements. This case further assumes that the Company does not aggressively promote sales of its VSAT services as a substitute for Inmarsat services, but does experience some organic growth and that there is improved market stability for Inmarsat services.

Assumptions for Management's Case C

Management's Case C projections were based on the assumption that Inmarsat renegotiates the CFA and the Company loses segment earnings associated with a significant portion of its Inmarsat related MSS revenue over 2009-2011 time period. This case further assumes that the Company will aggressively promote sales of VSAT services as a substitute for Inmarsat services to partially offset losses from MSS. The Company also takes steps to reduce SG&A in this case.

Assumptions for Modifications to Management's Case C

RBC made the following adjustments to Management's Case C in its analysis:

Broadband Revenue and Broadband Cost of Sales: RBC adjusted the Company's projections to further enhance the Broadband revenue in 2010 and beyond to further offset the decline in segment earnings associated with a significant portion of its Inmarsat-related MSS revenue being assumed in Management's Case C. RBC adjusted the Broadband cost of sales to maintain a constant margin.

SG&A Adjustment: RBC adjusted the Company's projections to further reduce SG&A in years 2010 and 2011 as compared to Management's Case C based on the significant decline in MSS revenue in this scenario.

The effective net impact of these modifications amounted to an increase in segment earnings that partially offset the full decline in the Case C.

Capital Expenditure Adjustment: RBC adjusted the Company's capital expenditure projections downward by approximately 19% in 2009 and beyond to account for the projected decline in revenue.

Sensitivity Analysis

In completing its DCF analysis, RBC did not rely on a single series of projected cash flows but performed a variety of sensitivity analyses using Management's Case B and Case C free cash flows. Variables sensitized included volume discounts, discount rates and terminal value assumptions. The results of these sensitivity analyses are reflected in RBC's judgment as to the fairness of the consideration under the Arrangement from a financial point of view.

Discount Rates

RBC selected appropriate discount rates to apply to our projected unlevered free cash flows by utilizing the Capital Asset Pricing Model ("CAPM") approach to determine an appropriate weighted average cost of capital ("WACC"). This approach calculates WACC based on an assumed optimal capital structure for the Company. The Company's optimal capital structure was chosen based upon a review of the capital structures of the Company and Inmarsat and the risks faced by the Company and the mobile satellite services industry. The CAPM approach calculates the cost of equity capital as a function of the risk-free rate of return, the volatility of equity prices in relationship to a benchmark ("beta") and a premium for equity risk. The CAPM approach calculates the cost of debt as a function of the risk-free rate of return plus an appropriate borrowing spread to reflect credit risk, assuming an optimal capital structure. The assumptions used by RBC in estimating WACC for the Company are provided below:

Cost of Debt	
Risk free rate ⁽¹⁾	4.0%
Borrowing spread	483 bps
Pre-tax cost of debt	8.8%
Tax rate	35.0%
After-tax cost of debt	5.7%
Cost of Equity	
Risk free rate ⁽¹⁾	4.0%
Equity risk premium	5.0%
Unlevered beta	1.20
Levered beta ⁽²⁾	1.62
After-tax cost of equity	12.1%
Optimal Capital Structure	35% debt / 65% equity
WACC Calculated From Above	9.9%

Notes:

(1) 10-year Government of Canada bond rate

(2) Based on 35% debt and 65% equity

Based on the foregoing analysis, taking into account sensitivity analyses on the variables selected above, RBC utilized a discount rate of 9.5% to 10.5%.

Terminal Value

Two approaches to the calculation of terminal values were considered by RBC for the DCF analysis: (i) multiple of earnings before interest, taxes, depreciation and amortization (“EBITDA”) in the terminal year and (ii) growth rate in perpetuity of free cash flow in the terminal year.

The EBITDA multiple range used to calculate the terminal value was 6.0x to 7.0x. This range of multiples was selected based on our analysis of public company trading multiples, precedent transaction multiples, our assessment of the risk and growth prospects beyond the terminal year, and the long-term outlook for the mobile satellite industry beyond the terminal year.

The growth rate in perpetuity of free cash flow methodology capitalized terminal year free cash flow at the WACC less a growth rate determined by reference to expected free cash flow growth beyond the projection period. RBC used a perpetual growth rate of 0.75% to 1.75% in Case B and (0.50%) to 0.50% in Case C. In selecting the range of growth rates, RBC took into consideration the outlook for long-term inflation, growth prospects for the Company beyond the terminal year, and the outlook for the mobile satellite services industry beyond the terminal year.

Summary of DCF Analysis

The DCF approach, including taking into account sensitivity analyses as described above, generates results that are consistent with the consideration under the Arrangement.

Precedent Transaction Analysis

RBC reviewed publicly available information with respect to selected transactions in the MSS industry. For the purpose of its analysis, RBC specifically focused on the Xantic B.V. and Telenor Satellite Services acquisitions as the most recent transactions of scale in the MSS industry. The primary multiple used in analyzing these transactions was a multiple of Enterprise Value (“EV”) to last twelve months (“LTM”) EBITDA.

<u>Announcement Date</u>	<u>Acquiror</u>	<u>Target</u>	<u>Enterprise Value</u> ⁽¹⁾ <i>(millions)</i>	<u>EV / LTM EBITDA</u> ⁽²⁾
25-Oct-06	Apax Partners	Telenor Satellite Services	\$400	6.5x
22-Jul-06	Apax Partners	France Telecom	\$76	5.1x
15-Aug-05	Stratos Global Corp.	Xantic B.V.	\$191	8.5x
27-Mar-01	Telenor ASA	COMSAT Mobile	\$117	6.6x
31-Aug-00	Stratos Global Corp.	BT A&M	C\$339	9.5x
Average				7.2x

Source: Company filings, press release, Wall Street research.

Notes:

(1) Enterprise value equals equity value plus debt, preferred shares and minority interests, less cash

(2) Excludes non-recurring charges, where applicable

Summary of Precedent Transaction Analysis

After taking into consideration the factors described above, RBC concluded that the multiples paid in recent precedent transactions are consistent with the implied multiples for the Company under the Arrangement.

Recent Trading Levels of Shares

The price per Share under the Arrangement of C\$6.40 represents a premium of 7% to the closing price of the Shares on March 8, 2007, the last trading day before an article appeared in The Globe and Mail highlighting the possibility of a sale of the Company. The Arrangement also represents a premium of 9% to the 10-day volume weighted average price ("VWAP") ended March 8, 2007 and a 15% premium to the 30-day VWAP through that date. The premiums represented by the Arrangement are within the range of the average premium for similar transactions over the past two years.

Fairness Conclusion

Based upon and subject to the foregoing, RBC is of the opinion that, as of the date hereof, the consideration under the Arrangement is fair from a financial point of view to the Shareholders.

Yours very truly,

RBC Dominion Securities Inc.

RBC DOMINION SECURITIES INC.

**APPENDIX “G”
DISSENT PROVISIONS OF THE CBCA**

SECTION 190 OF THE CANADA BUSINESS CORPORATIONS ACT

1. **Right to dissent** - Subject to sections 191 and 241, a holder of shares of any class of a corporation may dissent if the corporation is subject to an order under paragraph 192(4)(d) that affects the holder or if the corporation resolves to
 - (a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of that class;
 - (b) amend its articles under section 173 to add, change or remove any restriction on the business or businesses that the corporation may carry on;
 - (c) amalgamate otherwise than under section 184;
 - (d) be continued under section 188;
 - (e) sell, lease or exchange all or substantially all its property under subsection 189(3); or
 - (f) carry out a going-private transaction or a squeeze-out transaction.
2. **Further right** - A holder of shares of any class or series of shares entitled to vote under section 176 may dissent if the corporation resolves to amend its articles in a manner described in that section.
- 2.1 **If one class of shares** — The right to dissent described in subsection (2) applies even if there is only one class of shares.
3. **Payment for shares** — In addition to any other right the shareholder may have, but subject to subsection (26), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents or an order made under subsection 192(4) becomes effective, to be paid by the corporation the fair value of the shares in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted or the order was made.
4. **No partial dissent** — A dissenting shareholder may only claim under this section with respect to all the shares of a class held on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.
5. **Objection** — A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting and of their right to dissent.
6. **Notice of resolution** — The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (5) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn their objection.
7. **Demand for payment** — A dissenting shareholder shall, within twenty days after receiving a notice under subsection (6) or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing
 - (a) the shareholder’s name and address;
 - (b) the number and class of shares in respect of which the shareholder dissents; and
 - (c) a demand for payment of the fair value of such shares.
8. **Share certificate** — A dissenting shareholder shall, within thirty days after sending a notice under subsection (7), send the certificates representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.
9. **Forfeiture** — A dissenting shareholder who fails to comply with subsection (8) has no right to make a claim under this section.

10. **Endorsing certificate** — A corporation or its transfer agent shall endorse on any share certificate received under subsection (8) a notice that the holder is a dissenting shareholder under this section and shall forthwith return the share certificates to the dissenting shareholder.
11. **Suspension of rights** — On sending a notice under subsection (7), a dissenting shareholder ceases to have any rights as a shareholder other than to be paid the fair value of their shares as determined under this section except where
 - (a) the shareholder withdraws that notice before the corporation makes an offer under subsection (12),
 - (b) the corporation fails to make an offer in accordance with subsection (12) and the shareholder withdraws the notice, or
 - (c) the directors revoke a resolution to amend the articles under subsection 173(2) or 174(5), terminate an amalgamation agreement under subsection 183(6) or an application for continuance under subsection 188(6), or abandon a sale, lease or exchange under subsection 189(9), in which case the shareholder's rights are reinstated as of the date the notice was sent.
12. **Offer to pay** — A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (7), send to each dissenting shareholder who has sent such notice
 - (a) a written offer to pay for their shares in an amount considered by the directors of the corporation to be the fair value, accompanied by a statement showing how the fair value was determined; or
 - (b) if subsection (26) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.
13. **Same terms** — Every offer made under subsection (12) for shares of the same class or series shall be on the same terms.
14. **Payment** — Subject to subsection (26), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (12) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the Arrangement has been made.
15. **Corporation may apply to court** — Where a corporation fails to make an offer under subsection (12), or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as a court may allow, apply to a court to fix a fair value for the shares of any dissenting shareholder.
16. **Shareholder application to court** — If a corporation fails to apply to a court under subsection (15), a dissenting shareholder may apply to a court for the same purpose within a further period of twenty days or within such further period as a court may allow.
17. **Venue** — An application under subsection (15) or (16) shall be made to a court having jurisdiction in the place where the corporation has its registered office or in the province where the dissenting shareholder resides if the corporation carries on business in that province.
18. **No security for costs** — A dissenting shareholder is not required to give security for costs in an application made under subsection (15) or (16).
19. **Parties** — On an application to a court under subsection (15) or (16),
 - (a) all dissenting shareholders whose shares have not been purchased by the corporation shall be joined as parties and are bound by the decision of the court; and
 - (b) the corporation shall notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel.
20. **Powers of court** — On an application to a court under subsection (15) or (16), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall then fix a fair value for the shares of all dissenting shareholders.
21. **Appraisers** — A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

22. **Final order** — The final order of a court shall be rendered against the corporation in favour of each dissenting shareholder and for the amount of his shares as fixed by the court.
23. **Interest** — A court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.
24. **Notice that subsection (26) applies** — If subsection (26) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (22), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.
25. **Effect where subsection (26) applies** — If subsection (26) applies, a dissenting shareholder, by written notice delivered to the corporation within thirty days after receiving a notice under subsection (24), may
 - (a) withdraw their notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to their full rights as a shareholder; or
 - (b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.
26. **Limitation** — A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that
 - (a) the corporation is or would after the payment be unable to pay its liabilities as they become due; or
 - (b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liability

APPENDIX "H"
ARRANGEMENT AGREEMENT

ARRANGEMENT AGREEMENT

AMONG

CIP UK HOLDINGS LIMITED

AND

CIP CANADA INVESTMENT INC.

AND

STRATOS GLOBAL CORPORATION

MARCH 19, 2007

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ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT dated March 19, 2007,

AMONG:

CIP UK Holdings Limited, a corporation existing under the laws of England and Wales (“**CIP Limited**”)

- and –

CIP Canada Investment Inc., a corporation existing under the laws of the Province of New Brunswick (“**CIP Acquireco**”)

- and -

Stratos Global Corporation, a corporation existing under the laws of Canada (“**Stratos**”)

WHEREAS the CIP Group (as defined below) and Stratos intend to carry out the proposed acquisition of all of the outstanding shares of Stratos by CIP Acquireco by way of a Plan of Arrangement to be proposed by Stratos to its shareholders pursuant to the provisions of the *Canada Business Corporations Act*;

AND WHEREAS the Stratos Board of Directors, following consultation with its financial and legal advisors and after receiving the unanimous recommendation of the Special Committee of the Stratos Board of Directors regarding the Arrangement and the Cash Consideration to be paid to the shareholders hereunder, has unanimously approved this Agreement and has unanimously agreed to recommend that shareholders of Stratos vote in favour of the Arrangement Resolution;

NOW THEREFORE, THIS AGREEMENT WITNESSETH THAT in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties hereto covenant and agree as follows:

ARTICLE I DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires:

“**Acquisition Proposal**” means any *bona fide* inquiry, proposal or offer from any Person other than a member of the CIP Group (whether or not in writing and whether or not delivered to the Shareholders) relating to (a) any direct or indirect acquisition or purchase (or any lease, long-term supply agreement or other arrangement having the same economic effect as a sale) in a single transaction or a series of related transactions of a material amount of assets of Stratos or

any Stratos Subsidiary or of more than 20 percent of any class of the share capital, voting securities or other equity interests of Stratos or any Stratos Subsidiary, (b) any take-over bid, tender offer, exchange offer, treasury issuance, issuance of securities or similar transaction that, if consummated, would result in any Person other than a member of the CIP Group owning or controlling 20 percent or more of any class of the share capital, voting securities or other equity interests (including securities convertible into equity interests) of Stratos or any Stratos Subsidiary, (c) any merger, amalgamation, consolidation, business combination, arrangement, reorganization, recapitalization, liquidation, dissolution or similar transaction involving Stratos or any Stratos Subsidiary, (d) any other transaction the consummation of which would reasonably be expected to impede, interfere with, prevent or materially delay the Arrangement, or (e) any public announcement or other public disclosure of an intention to do any of the foregoing made by any Person other than a member of the CIP Group.

“**affiliate**” means an affiliate within the meaning of section 1.2 of National Instrument 45-106 – *Prospectus and Registration Exemptions*.

“**Agreement**” means this Agreement and all Schedules and exhibits hereto, as amended or supplemented from time to time in accordance with its terms.

“**Antitrust Law**” means the Competition Act, the United States *Hart-Scott-Rodino Antitrust Improvements Act of 1976*, as amended from time to time and any other applicable federal, state, or foreign Law designed or intended to regulate competition or investment (foreign or otherwise) or to prohibit, restrict or regulate action having the purposes or effect of monopolization or restraint of trade.

“**Arrangement**” means the arrangement in respect of Stratos to be effected under the provisions of section 192 of the CBCA on the terms set out in the Plan of Arrangement, subject to any amendments or variations thereto made in accordance with this Agreement and section 6.1 of the Plan of Arrangement or made at the direction of the Court in the Final Order (with the consent of CIP and Stratos, each acting reasonably).

“**Arrangement Resolution**” means the special resolution of the Shareholders of Stratos to be considered at the Stratos Meeting, to be substantially in the form set out in Schedule A hereto.

“**Articles of Arrangement**” means the articles of arrangement of Stratos (in form and substance satisfactory to CIP, acting reasonably) in respect of the Arrangement, to be filed with the Director after the Final Order is made.

“**Business Day**” means any day, other than a Saturday, Sunday or any other day observed as a civic or statutory holiday in London, England or Toronto, Ontario, on which commercial banks are generally open for business in London, England and Toronto, Ontario.

“**Call Option**” means the option granted by CIP Parent to Inmarsat Finance III Limited to acquire all of the outstanding shares in the capital of CIP Limited pursuant to the Call Option Agreement.

“**Call Option Agreement**” means the agreement, dated as of the date hereof, between CIP Parent and Inmarsat Finance III Limited providing for the Call Option.

“**Canadian GAAP**” means accounting principles generally accepted in Canada at the relevant time, applied on a consistent basis.

“**Canadian Securities Administrators**” means the securities commissions or other securities regulators in each of the provinces and territories of Canada.

“**Cash Consideration**” means \$6.40 in cash per Stratos Share, subject to increase as provided in Section 7.2(a)(iv) or as otherwise agreed to by the Parties.

“**CBCA**” means the *Canada Business Corporations Act*, R.S.C.1985, c.C-44, as amended from time to time.

“**Certificate of Arrangement**” means the certificate of arrangement giving effect to the Arrangement, issued pursuant to subsection 192(7) of the CBCA after the Articles of Arrangement have been filed.

“**Change in Stratos Recommendation**” has the meaning set out in Section 8.1(d).

“**CIP**” means CIP Limited and CIP Acquireco.

“**CIP Acquireco**” has the meaning set forth in the recital of the Parties hereto.

“**CIP Disclosure Letter**” means the letter of even date herewith delivered by CIP to Stratos in a form accepted by and initialled on behalf of Stratos with respect to certain matters in this Agreement.

“**CIP Group**” means CIP, together with CIP Parent and its Subsidiaries and affiliates, and “member of the CIP Group” means any of the foregoing.

“**CIP Limited**” has the meaning set forth in the recital of the Parties hereto.

“**CIP Parent**” means Communications Investment Partners Limited, a corporation organized under the laws of the British Virgin Islands.

“**Commitment Letter**” means the commitment letter and term sheet attached as Schedule B hereto.

“**Competition Act**” means the *Competition Act* (Canada), R.S.C. 1985, c.C-34, as amended from time to time.

“**Competition Act Approval**” means the occurrence of either of the following:

(a) the issuance of an advance ruling certificate (“**ARC**”) by the Competition Commissioner under section 102(1) of the Competition Act, in form and substance satisfactory to CIP Acquireco acting reasonably, to the effect that the Competition Commissioner is satisfied that the Competition Commissioner would not have sufficient grounds upon which to apply to the Competition Tribunal for an order under section 92 of the Competition Act with respect to

the completion of the Arrangement and which ARC shall remain in force, unamended, at the Effective Date; or

(b) the Competition Commissioner shall have advised CIP Acquireco in writing (which advice will not have been rescinded at the Effective Date) that the Competition Commissioner is of the view that there are not sufficient grounds to initiate proceedings before the Competition Tribunal under the merger provisions of the Competition Act in respect of the completion of the Arrangement and such written communication does not contain any conditions, restrictions or requirements (other than the normal caveat that such proceedings may be initiated at any time up to three years after the transactions have been substantially completed) that are not satisfactory to CIP Acquireco acting reasonably.

“Competition Commissioner” means the Commissioner of Competition appointed under the Competition Act.

“Completion Deadline” means September 28, 2007; provided, however, (a) if the Regulatory Approvals have not been obtained and the consummation of the Arrangement has not occurred by September 28, 2007 solely as a result of the non-satisfaction of the condition set out in Section 6.1(f) (and other than the satisfaction of conditions which, by their terms, can only be satisfied on the Effective Date), then either CIP Limited and CIP Acquireco, acting jointly, or Stratos may elect, provided that the Party so electing has complied with its obligations herein, to extend the Completion Deadline, in which case the Completion Deadline shall mean October 31, 2007, and (b) if the Completion Deadline has been extended pursuant to clause (a) and if the Regulatory Approvals have not been obtained and the consummation of the Arrangement has not occurred by October 31, 2007 solely as a result of the non-satisfaction of the condition set out in Section 6.1(f) (and other than the satisfaction of conditions which, by their terms, can only be satisfied on the Effective Date), then either CIP Limited and CIP Acquireco, acting jointly, or Stratos may elect, provided that the Party so electing has complied with its obligations herein, to extend the previously extended Completion Deadline, in which case the Completion Deadline shall mean November 30, 2007, provided, in each case, that a Party shall only be permitted to extend the Completion Deadline pursuant to this paragraph if such Party reasonably believes that the condition set out in Section 6.1(f) is likely to be satisfied prior to the Completion Deadline, in each case, as so extended; provided, further, that CIP and Stratos may mutually agree in writing that the Completion Deadline shall mean any such other earlier or later date.

“Confidentiality Agreement” means the confidentiality agreement dated March 6, 2007 between CIP Parent and Stratos.

“Contaminants” means any pollutant, contaminant or waste of any nature, including any hazardous waste, hazardous substance, hazardous material, toxic substance, dangerous substance, dangerous good, or deleterious substance, as defined, judicially interpreted or identified in or for the purposes of any Environmental Laws.

“Court” means the Superior Court of Justice (Ontario).

“Depositary” means the depositary or any other trust company, bank or financial institution agreed to in writing between CIP and Stratos for the purpose of, among other things, exchanging

certificates representing Stratos Shares for the Cash Consideration in connection with the Arrangement and paying the Option Consideration, if any, to holders of Stratos Options in accordance with the Plan of Arrangement.

“**Director**” means the Director appointed pursuant to section 260 of the CBCA.

“**Dissent Rights**” means the rights of dissent of a Shareholder in respect of the Arrangement Resolution described in the Plan of Arrangement.

“**Dissenting Shareholder**” has the meaning ascribed thereto in the Plan of Arrangement.

“**Effective Date**” means the date of the Certificate of Arrangement giving effect to the Arrangement which shall be issued on the date contemplated in Section 5.1(f).

“**Effective Time**” means 12:01 a.m. (Eastern Time) on the Effective Date.

“**Employee**” means any individual employed or retained by Stratos or any Stratos Subsidiary on a full-time, part-time or temporary basis who provides services to Stratos or any Stratos Subsidiary, including those individuals who are on disability leave, parental leave or other permitted absence.

“**Employee Plans**” has the meaning set out in Section 3.1(t)(i) and includes the Stratos Option Plan.

“**Encumbrance**” includes any mortgage, pledge, assignment, charge, lien, claim, security interest, adverse interest, other third Person interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing.

“**Environmental Approvals**” means all permits, certificates, licences, authorizations, consents, instructions, registrations, directions or approvals issued or required by any Governmental Entity pursuant to any Environmental Laws.

“**Environmental Condition**” means the generation, discharge, emission or release into the environment (including ambient air, surface water, groundwater or land), spill, receiving, handling, use, storage, containment, treatment, transportation, shipment or disposition prior to the Effective Date of any Contaminants by any Person in respect of which remedial action is required under any Environmental Laws or as to which any liability is currently or in the future imposed upon any Person based upon the acts or omissions of any Person prior to the Effective Date with respect to any Contaminants or reporting with respect thereto.

“**Environmental Laws**” means all applicable Laws, including applicable common law and agreements with Governmental Entities, relating to the protection of the environment and employee and public health and safety, and includes Environmental Approvals.

“**Facility Agreement**” means the loan agreement to be entered into between Inmarsat Finance III Limited and CIP Limited regarding the financing, *inter alia*, of the acquisition of Stratos Shares pursuant to this Agreement, the offer to purchase the Stratos Bonds in accordance with their

terms as a result of the completion of the Arrangement and the transactions contemplated hereby, and the refinancing of the Stratos Credit Facility, substantially on the terms and conditions of the Commitment Letter.

“**Final Order**” means the final order of the Court approving the Arrangement, as such order may be amended by the Court (with the consent of CIP and Stratos, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or amended (provided that any such amendment shall be acceptable to both CIP and Stratos, each acting reasonably) on appeal.

“**Governmental Entity**” means any applicable (i) multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign, (ii) subdivision, agency, commission, board or authority of any of the foregoing, or (iii) quasi-governmental or private body (including any stock exchange or Securities Authority) exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing.

“**ICA Approval**” means the Minister designated for the purposes of the Investment Canada Act shall have confirmed to CIP Acquireco, on terms satisfactory to CIP Acquireco, acting reasonably, that he has determined, or shall have been deemed to have determined, that the transactions contemplated by this Agreement are of “net benefit” to Canada, or the parties hereto shall be satisfied that no such determination is required.

“**Inmarsat**” means Inmarsat plc.

“**Interim Order**” means the interim order of the Court, as the same may be amended by the Court (with the consent of CIP and Stratos, each acting reasonably), pursuant to subsection 192(3) of the CBCA, made in connection with the Arrangement.

“**Investment Canada Act**” means the *Investment Canada Act* (Canada), R.S.C., 1985, c. 28 (1st Supp.), as amended from time to time.

“**Interested Person**” has the meaning set out in Section 3.1(ff).

“**ITA**” means the *Income Tax Act* (Canada), R.S.C. 1985, c.1 (5th Supplement), as amended from time to time.

“**knowledge of Stratos**” means the actual knowledge, after due and reasonable inquiry, of the Chief Executive Officer, the Chief Financial Officer, the Executive Vice-President or the General Counsel of Stratos.

“**Laws**” means all applicable laws, including common law, statutes, by-laws, rules, regulations, treaties, orders, ordinances, protocols, codes, guidelines, instruments, policies, notices, permits, licenses, directions and judgments or other requirements of any Governmental Entity.

“**Material Adverse Change**” means any one or more changes, events or occurrences, and “**Material Adverse Effect**” means any fact or state of facts, circumstance, change, effect, occurrence or event which, in either case, either individually is or in the aggregate are, or would

reasonably be expected to be, material and adverse to the business, operations, results of operations, prospects, properties, assets, liabilities, obligations (whether absolute, accrued, conditional or otherwise) or condition (financial or otherwise) of Stratos and the Stratos Subsidiaries, on a consolidated basis, other than any change, event, occurrence or state of facts: (i) relating to general economic or political conditions, the global economy or securities markets in general; (ii) affecting the worldwide telecommunications services industry in general and which does not have a materially disproportionate effect on Stratos and the Stratos Subsidiaries on a consolidated basis; (iii) resulting from any action initiated by, undertaken at the instruction or request of, Inmarsat or any of its affiliates, or resulting from any deliberate or intentional inaction by Inmarsat or any of its affiliates where it had an obligation to take action, or any failure to remedy a breach capable of being remedied by Inmarsat or any of its affiliates, in each case other than as contemplated by this Agreement (iv) relating to goodwill impairment in respect of Stratos's broadband business as result of the application of the impairment testing procedure described and disclosed in Stratos's financial results for the fourth quarter and year ended December 31, 2006 filed on SEDAR; (v) resulting solely or primarily from the announcement of this Agreement and the transactions contemplated hereby or the taking of any action required by this Agreement in connection with the Arrangement (including any decrease in customer demand, any reduction in revenues, any disruption in supplier, partner or similar relationships, or any loss of employees, in each case to the extent resulting solely or primarily from such announcement); (vi) resulting solely from any failure, in and of itself, by Stratos to meet its own, or analysts', guidance or projections; (vii) resulting from any natural disaster, or any engagement in hostilities by any country in which Stratos operates, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any act or acts of terrorism, other than any act, event or occurrence relating to or arising out of the damage to, or destruction of, any of Inmarsat's satellites; or (viii) relating to a change in the market trading price of Stratos Shares either (A) related to this Agreement and the transactions contemplated hereby or the announcement thereof or (B) related to such a change in the market trading price primarily resulting from a change, effect, event or occurrence excluded from the definition of Material Adverse Change and Material Adverse Effect under clauses (i) to (vii), inclusive, and except as explicitly stated herein, references in this Agreement to dollar amounts are not intended to be, and shall not be deemed to be, interpretive of the amount used for the purpose of determining whether a "Material Adverse Change" has occurred or whether a state of facts exists that has or could have a "Material Adverse Effect" and such defined terms and all other references to materiality in this Agreement shall be interpreted without reference to any such amounts.

"misrepresentation" has the meaning ascribed thereto in the *Securities Act* (Ontario).

"Objection" has the meaning set out in Section 5.1(t).

"Option Consideration" has the meaning ascribed thereto in the Plan of Arrangement.

"Parties" means CIP Limited, CIP Acquireco and Stratos; and **"Party"** means any of them.

"Pension Plans" has the meaning set out in Section 3.1(t)(iii).

“**Person**” includes any individual, partnership, association, limited or unlimited liability company, joint venture, body corporate, trustee, trust, executor, administrator, legal representative, government (including any Governmental Entity) or any other entity, whether or not having legal status.

“**Permits**” has the meaning ascribed thereto in Section 3.1(p).

“**Plan of Arrangement**” means the plan of arrangement substantially in the form of Schedule C hereto as amended or varied pursuant to the terms hereof and thereof.

“**Prohibition Order**” means a determination by the United States Federal Communications Commission to designate the transactions contemplated by the Arrangement for a hearing, or any Law, permanent or final order, decree, binding arbitral award, decision, judgement or any other action under any Laws or by any Governmental Entity or other regulatory authority, taken or issued after the date hereof, in each case whether or not such order, decree, arbitral award, decision, judgement or action is appealable or has been appealed, that makes it illegal or otherwise directly or indirectly restrains, enjoins or prohibits the consummation of the Arrangement and the transactions contemplated herein in accordance with the terms hereof, including the transactions contemplated by the Facility Agreement, and for greater certainty does not include any interlocutory or interim order, judgment or similar act.

“**Regulatory Approvals**” means the approvals, consents, permissions, rulings, waivers or the expiry of applicable waiting times required to implement this Agreement set forth on Schedule 6.1(f).

“**SEC**” means the United States Securities and Exchange Commission.

“**Securities Authorities**” means the Ontario Securities Commission and the other securities regulatory authorities in the provinces and territories of Canada, the SEC and the applicable United States state securities authorities, collectively and “**Securities Authority**” means any one of them.

“**SEDAR**” means The System for Electronic Document Analysis and Retrieval, a filing system developed for the Canadian Securities Administrators.

“**Shareholders**” means, at any time and unless the context otherwise requires, the registered holders of Stratos Shares at such time.

“**Stratos**” has the meaning set forth in the recital of the Parties hereto.

“**Stratos Bonds**” means Stratos’s 9 7/8% Senior Notes due February 15, 2013.

“**Stratos Circular**” means the notice of meeting, and accompanying management proxy circular, including all appendices thereto, to be prepared by Stratos and sent to Shareholders in respect of the Stratos Meeting.

“**Stratos Credit Facility**” means the second amended and restated credit agreement, dated February 13, 2006, among Stratos, Stratos Funding LP and the financial institutions party thereto, as amended from time to time in accordance with its terms.

“**Stratos Disclosure Letter**” means the letter of even date herewith delivered by Stratos to CIP in a form accepted by and initialled on behalf of CIP with respect to certain matters in this Agreement.

“**Stratos Documents**” has the meaning set out in Section 3.1(w).

“**Stratos Intellectual Property**” has the meaning set out in Section 3.1(o).

“**Stratos Meeting**” means the special meeting, including any adjournments or postponements thereof, of the Shareholders to be called and held in accordance with the Interim Order, to consider and, if deemed advisable, to approve the Arrangement Resolution.

“**Stratos Option Plan**” means the amended and restated employee stock option plan of Stratos dated May 13, 2004.

“**Stratos Options**” means the outstanding options to purchase Stratos Shares issued pursuant to the Stratos Option Plan, all as described in Schedule D hereto.

“**Stratos Required Vote**” means the requisite approval for the Arrangement Resolution, being (i) not less than 66-2/3 percent of the votes cast in respect of the Arrangement Resolution by Shareholders present in person or by proxy at the Stratos Meeting, and (ii) such other approval as is required by the Interim Order.

“**Stratos Rights Plan**” means the shareholder rights plan agreement, dated as of March 24, 2005, between Stratos and Computershare Trust Company of Canada.

“**Stratos Shares**” means the common shares in the capital of Stratos.

“**Stratos Subsidiaries**” means the corporations identified as such in Schedule E attached hereto, collectively.

“**Subsidiary**” means a subsidiary within the meaning of National Instrument 45-106 – *Prospectus and Registration Exemptions* and, in the case of Stratos, includes the Stratos Subsidiaries.

“**Superior Proposal**” means an unsolicited *bona fide* written Acquisition Proposal for 100% of the Stratos Shares (or all or substantially all of its assets) that the Board of Directors of Stratos has determined in good faith, after consultation with its financial and outside legal advisors, would, if consummated in accordance with its terms, but without assuming away the risk of non-completion, result in a transaction which (i) is more favourable, from a financial point of view, to the Shareholders than the Arrangement (including any amendment to the terms and conditions of the Arrangement Agreement proposed by CIP pursuant to Section 7.2), (ii) is reasonably capable of completion without undue delay taking into account all legal, financial, regulatory and other aspects of such Acquisition Proposal and the party making such Acquisition Proposal, and (iii) in

respect of which any required financing to complete such Acquisition Proposal has been demonstrated to the satisfaction of the Board of Directors of Stratos, acting in good faith (after receipt of advice from its financial advisors and outside legal counsel), is reasonably likely to be obtained.

“**Tax**” and “**Taxes**” means all taxes, assessments, charges, dues, duties, rates, fees imposts, levies and similar charges of any kind lawfully levied, assessed or imposed by any Governmental Entity, including all income taxes (including any tax on or based upon net income, gross income, income as specially defined, earnings, profits or selected items of income, earnings or profits) and all capital taxes, gross receipts taxes, environmental taxes and charges, sales taxes, use taxes, *ad valorem* taxes, value added taxes, subsoil use or extraction taxes and ownership fees, transfer taxes (including taxes relating to the transfer of interests in real property or entities holding interests therein), franchise taxes, licence taxes, withholding taxes, health taxes, payroll taxes, employment taxes, Canada or Québec Pension Plan premiums, excise, severance, social security, workers’ compensation, employment insurance or compensation taxes, mandatory pension and other social fund taxes or premium, stamp taxes, occupation taxes, premium taxes, property taxes, windfall profits taxes, alternative or add-on minimum taxes, goods and services tax, harmonized sales tax, customs duties or other taxes, fees, imports, assessments or charges or any kind whatsoever, and any instalments in respect thereof, together with any interest and any penalties or additional amounts imposed by any taxing authority (domestic or foreign) on such entity, and any interest, penalties, additional taxes and additions to tax imposed with respect to the foregoing.

“**Tax Returns**” means all returns, schedules, elections, declarations, reports, information returns and statements required to be filed with any taxing authority relating to Taxes.

“**Termination Date**” means the date upon which this Agreement is terminated pursuant to the terms of this Agreement.

“**Trust Agreement**” means the agreement to be entered into between CIP Limited and the Trustee with respect to the Trust Arrangements, substantially in the form of Schedule F hereto.

“**Trust Arrangements**” means arrangements whereby the Stratos Shares acquired by CIP Acquireco pursuant to the Arrangement contemplated by this Agreement shall be deposited with and held by the Trustee pursuant to the Trust Agreement.

“**Trustee**” means the trustee appointed as trustee under the Trust Agreement.

“**TSX**” means the Toronto Stock Exchange.

1.2 Interpretation Not Affected by Headings

The division of this Agreement into Articles, Sections, subsections and paragraphs and the insertion of headings are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement. Unless the contrary intention appears, references in this Agreement to an Article, Section, subsection, paragraph or Schedule by number or letter or both refer to the Article, Section, subsection, paragraph or Schedule,

respectively, bearing that designation in this Agreement. References in this Agreement to “include”, “includes”, and “including” mean “including, without limitation”.

1.3 Number and Gender

In this Agreement, unless the contrary intention appears, words importing the singular include the plural and vice versa, and words importing gender include all genders.

1.4 Date for Any Action

If the date on which any action is required to be taken hereunder by a Party is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

1.5 Currency

Unless otherwise stated, all references in this Agreement to sums of money or currency are expressed in lawful money of Canada.

1.6 Accounting Matters

Unless otherwise stated, all accounting terms used in this Agreement shall have the meanings attributable thereto under Canadian GAAP and all determinations of an accounting nature required to be made shall be made in accordance with Canadian GAAP applied on a consistent basis.

1.7 Construction

The language used in this Agreement is the language chosen by the Parties to express their intent, and no rule of construction to the effect that any ambiguity is to be resolved against the drafting Party shall be applied against any Party.

1.8 Statutory References

A reference to a statute includes all rules, regulations, policies and blanket orders made pursuant to such statute and, unless otherwise specified the provisions of any statute, regulation, rule, policy or blanket order which amends, supplements, replaces or supersedes any such statute, regulation, rule, policy or blanket order.

1.9 Reasonableness

For the purposes of this Agreement, a party shall be considered to be acting “reasonably” when: (a) it gives primary consideration to its own interests with recognition of the materiality of those interests, but does so in a way which is neither arbitrary nor capricious, and which recognizes the existence of the differing interests of the other party; and (b) it seeks to make a decision that is consistent with the overall intentions of this Agreement.

1.10 Schedules

The following Schedules are annexed to this Agreement and are incorporated by reference into this Agreement and form a part hereof:

Schedule A	-	Arrangement Resolution
Schedule B		Commitment Letter
Schedule C	-	Plan of Arrangement
Schedule D	-	Stratos Options
Schedule E	-	Stratos Subsidiaries
Schedule F		Form of Trust Agreement
Schedule 6.1(f)		Approvals for Closing

ARTICLE II THE ARRANGEMENT

2.1 The Arrangement

The Parties agree to carry out the Arrangement in accordance with this Agreement on the terms set out in the Plan of Arrangement, subject to such changes as may be mutually agreed to by the Parties in accordance with this Agreement.

2.2 Court Proceedings

As soon as is reasonably practicable after the execution of this Agreement, Stratos shall, pursuant to section 192 of the CBCA:

(a) apply for, file, proceed with and diligently pursue an application to the Court (in a manner acceptable to CIP, acting reasonably) for the Interim Order (in a form acceptable to CIP, acting reasonably) providing for, among other things, the calling and holding of the Stratos Meeting for the purpose of considering and, if deemed advisable, approving the Arrangement and, with the consent of CIP, for any other proper purpose as may be set out in the notice for the Stratos Meeting; and

(b) subject to having obtained approval of the Arrangement Resolution at the Stratos Meeting and any other approvals as contemplated by the Interim Order and all Regulatory Approvals, other than the approval of the United States Federal Communications Commission, as soon as reasonably practicable after the Stratos Meeting: (i) deliver to the Director the affidavits and other materials necessary in order to give notice to the Director of Stratos's application for the Final Order pursuant to and in accordance with section 192(5) of the CBCA; and (ii) concurrently apply (in a manner acceptable to CIP, acting reasonably) to the Court under section 192 of the CBCA for the Final Order and thereafter proceed with and diligently pursue receipt of the Final Order.

The notice of motion for the application for the Interim Order shall request that the Interim Order provide:

(i) for the class of Persons to whom notice is to be provided in respect of the Arrangement and the Stratos Meeting and for the manner in which such notice shall be provided;

(ii) that the requisite approval for the Arrangement Resolution shall be 66-2/3 percent of the votes cast in respect of the Arrangement Resolution by Shareholders present in person or by proxy at the Stratos Meeting;

(iii) that in all other respects, the terms, restrictions and conditions of the by-laws and articles of Stratos, including quorum requirements and all other matters, shall apply in respect of the Stratos Meeting;

(iv) for the grant of Dissent Rights as contemplated in the Plan of Arrangement;

(v) for notice requirements with respect to the presentation of the application to the Court for the Final Order;

(vi) that the Stratos Meeting may be adjourned or postponed from time to time by management of Stratos in accordance with this Agreement without the need for additional approval of the Court; and

(vii) that the record date for Shareholders entitled to vote at the Stratos Meeting will not change in respect of any adjournment(s) or postponement(s) of the Stratos Meeting.

Stratos shall permit CIP to review and comment upon drafts of the notices of motion and related materials for the applications referred to in this Section 2.2 prior to service (if applicable) and/or filing of the material and shall give reasonable consideration to such comments.

2.3 Articles of Arrangement

Subject to the rights of termination contained in Article VIII hereof, upon the Shareholders approving the Arrangement in accordance with the Interim Order, Stratos obtaining the Final Order and the other conditions contained in Article VI hereof being complied with or waived, the Parties shall file the Final Order with the Director together with the Articles of Arrangement and such other documents as may be required in order to effect the Arrangement.

2.4 Closing

The Closing of the Arrangement will take place at the offices of Blake, Cassels & Graydon LLP, 199 Bay Street, Suite 2300, Commerce Court West, Toronto, Ontario M5L 1A9 at 8:00 a.m. (Toronto time) on the Effective Date.

2.5 Preparation of Filings

(a) CIP and Stratos shall cooperate in the preparation of applications, filings, submissions and requests for the approval of, and appropriate notification for, any Governmental

Entity with jurisdiction over the transactions contemplated hereby (including the Regulatory Approvals and the Competition Act Approval) and the preparation of any required documents reasonably deemed by CIP and Stratos to be necessary to discharge their respective obligations under applicable Laws and to obtain the Regulatory Approvals and the Competition Act Approval at the earliest practicable date and in that regard each shall, upon request, furnish to the other all such information concerning it and, in the case of Stratos, the Shareholders, as may be reasonably required for such purposes.

(b) Each of CIP and Stratos shall promptly notify the other Parties of any communication to a Party from any Governmental Entity in respect of the Arrangement or this Agreement and, except for matters related to ICA Approval, shall not participate in any meeting with any Governmental Entity in respect of any filings, investigations or other inquiry related to the Arrangement or this Agreement unless it consults with the other Parties in advance and, to the extent permitted by such Governmental Entity, gives the other Parties the opportunity to attend and participate thereat.

2.6 Communications

(a) CIP and Stratos agree to make a joint press release with respect to the Arrangement as soon as practicable after the execution by them of this Agreement and to otherwise coordinate the public disclosure and presentations to investors or otherwise made by them with respect to the Arrangement. CIP and Stratos further agree that there will be no public announcement or other disclosure of the Arrangement or of the matters dealt with herein unless they have mutually agreed thereto or unless otherwise required by applicable Laws or by regulatory instrument, rule or policy based on the advice of counsel. If any member of the CIP Group or Stratos is required by applicable Laws or regulatory instrument, rule or policy to make a public announcement with respect to the transactions contemplated hereby, such party hereto will provide as much notice to the other of them as reasonably possible, including the proposed text of the announcement, and shall give reasonable consideration to any comments from the other party on such text.

(b) CIP and Stratos will consult with each other in making any filing with any Governmental Entity with respect to the Arrangement. Each of CIP and Stratos shall use its commercially reasonable efforts to enable the other Party to review and comment on all such filings prior to the filing thereof.

(c) Without limiting the obligations of Stratos under Section 5.1(g), Stratos agrees that CIP may, on behalf of management of Stratos, directly or through a soliciting dealer actively solicit proxies in favour of the Arrangement on behalf of management of Stratos and shall disclose in the Circular that CIP may make such solicitations.

ARTICLE III REPRESENTATIONS AND WARRANTIES OF STRATOS

3.1 Representations and Warranties

Stratos hereby represents and warrants to and in favour of CIP Limited and CIP Acquireco as follows and acknowledges that each of CIP Limited and CIP Acquireco is relying upon such representations and warranties in entering into this Agreement and the Arrangement.

(a) Organization. Stratos and each Stratos Subsidiary has been incorporated, is validly subsisting and has full corporate and legal power and authority to own its property and assets and to conduct its business as currently owned and conducted. Stratos and each Stratos Subsidiary is registered, licensed or otherwise qualified as an extra-provincial corporation or a foreign corporation in each jurisdiction where the nature of the business or the location or character of the property and assets owned or leased by it requires it to be so registered, licensed or otherwise qualified, other than those jurisdictions where the failure to be so registered, licensed or otherwise qualified would not have a Material Adverse Effect on Stratos. Other than as disclosed in the Stratos Disclosure Letter, all of the outstanding shares of Stratos and of each Stratos Subsidiary are duly authorized, validly issued, fully paid and non-assessable (and, where required, properly registered). All of the outstanding shares of each Stratos Subsidiary are owned directly or indirectly by Stratos or another Stratos Subsidiary. Except pursuant to restrictions on transfer contained in the articles or by-laws (or their equivalent) of the applicable Stratos Subsidiary, the outstanding securities of each Stratos Subsidiary which are owned by Stratos (or by another Stratos Subsidiary) are owned free and clear of all Encumbrances and neither Stratos nor any Stratos Subsidiary is liable to any creditor in respect thereof. There are no outstanding options, warrants, rights, entitlements, understandings or commitments (contingent or otherwise) regarding the right to acquire any issued or unissued securities of any Stratos Subsidiary from either Stratos or any Stratos Subsidiary.

(b) Capitalization. Stratos is authorized to issue an unlimited number of Stratos Shares and an unlimited number of preference shares. As of the date hereof, there were 41,998,207 Stratos Shares outstanding and an aggregate of 1,849,290 options to acquire Stratos Shares outstanding under the Stratos Option Plan and no preference shares were issued and outstanding. The Stratos Options are described in Schedule D attached hereto. Except for the Stratos Options, there are no options, warrants, conversion privileges or other rights, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) obligating Stratos or any Stratos Subsidiary to issue or sell any shares of Stratos or any Stratos Subsidiary or any securities or obligations of any kind convertible into or exchangeable for any shares of Stratos or any Stratos Subsidiary. There are no outstanding bonds, debentures or other evidences of indebtedness of Stratos or any Stratos Subsidiary having the right to vote with the Shareholders on any matter. There are no outstanding contractual obligations of Stratos or of any Stratos Subsidiary to repurchase, redeem or otherwise acquire any outstanding Stratos Shares or with respect to the voting or disposition of any outstanding Stratos Shares.

(c) Authority. Stratos has all necessary power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by Stratos as contemplated by this Agreement, and to perform its obligations hereunder and under such other

agreements and instruments, such performance subject to the approval of the Shareholders and the Court as provided in this Agreement. The execution and delivery of this Agreement by Stratos and the completion by Stratos of the Arrangement and the transactions contemplated by this Agreement have been authorized by the Stratos Board of Directors and, subject to the approval by the Shareholders and the Court and the filing of the corporate documents required under the CBCA in the manner contemplated hereby, no other corporate proceedings on the part of Stratos are necessary to authorize this Agreement or to complete the transactions contemplated hereby other than in connection with the approval by the Stratos Board of Directors of the Stratos Circular. This Agreement has been executed and delivered by Stratos and constitutes a legal, valid and binding obligation of Stratos, enforceable against Stratos in accordance with its terms, subject to bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium and other applicable Laws relating to or affecting creditors' rights generally, and to general principles of equity. The execution and delivery by Stratos of this Agreement and the performance by it of its obligations hereunder and the completion of the Arrangement and the transactions contemplated hereby, do not and will not:

- (i) result in a violation, contravention or breach of, require any consent to be obtained under or give rise to any termination rights under any provision of,
 - (A) the articles or by-laws (or their equivalent) of Stratos or any Stratos Subsidiary,
 - (B) except for obtaining the Regulatory Approvals, any Laws, or
 - (C) other than as disclosed in the Stratos Disclosure Letter, any contract, agreement, licence or permit to which Stratos or any Stratos Subsidiary is bound or is subject or of which Stratos or any Stratos Subsidiary is the beneficiary involving expenditures or liabilities affecting the business of Stratos or any Stratos Subsidiary greater than \$3,000,000;
- (ii) other than as disclosed in the Stratos Disclosure Letter, give rise to any right of termination or acceleration of material indebtedness, or cause any material indebtedness owing by Stratos or any Stratos Subsidiary to come due before its stated maturity or cause any of its available credit to cease to be available;
- (iii) result in the imposition of any Encumbrance upon any of the property or assets of Stratos or any Stratos Subsidiary, or restrict, hinder, impair or limit the ability of Stratos or any Stratos Subsidiary to conduct the business of Stratos or any Stratos Subsidiary as and where it is now being conducted; or
- (iv) except as disclosed in the Stratos Documents filed on SEDAR and other than as disclosed in the Stratos Disclosure Letter, result in any material payment (including termination, severance, unemployment compensation, change of control, "golden parachute", bonus or otherwise) becoming due to any Employee, director or officer of Stratos or of any Stratos Subsidiary or increase any benefits otherwise payable

under any Employee Plan or result in the acceleration of the time of payment or vesting of any such benefits;

that, other than in the case of clauses (i)(A) and (i)(B), would individually or in the aggregate, have a Material Adverse Effect on Stratos. No consent, approval, order or authorization of, or declaration or filing with, or waiver of any right of, any Governmental Entity or other Person is required to be obtained or made by Stratos or any Stratos Subsidiary in connection with the execution and delivery of this Agreement or the consummation by Stratos of the Arrangement and the transactions contemplated hereby other than (i) any approvals required pursuant to the Interim Order or the Final Order, (ii) filings with the Director under the CBCA and filings with and approvals required by Securities Authorities and stock exchanges, (iii) any consent, approval, order, authorization, waiver, permit or filing required under any applicable Antitrust Law and listed in the Stratos Disclosure Letter, (iv) any other consent, waiver, permit, order, authorization, approval or filing referred to in the Stratos Disclosure Letter, including the Regulatory Approvals, and (v) any other consent, approval, order, authorization, declaration, filing or waiver which, if not obtained, would not, individually or in the aggregate, have a Material Adverse Effect on Stratos.

(d) Directors' Approvals. The Board of Directors of Stratos has received an opinion from Bear, Stearns & Co. Inc. and RBC Dominion Securities Inc., the financial advisor to the Board of Directors of Stratos, that the Cash Consideration is fair, from a financial point of view, to the Shareholders, a final, true and accurate copy of which has been delivered to CIP, and there has been no variation or amendment to, or withdrawal of, the fairness opinion delivered to CIP. The directors of Stratos present at a duly constituted meeting have unanimously:

(i) determined that the Cash Consideration is fair to the Shareholders and the transactions contemplated hereby are in the best interests of Stratos;

(ii) recommended that the Shareholders vote in favour of the Arrangement and the transactions contemplated hereby; and

(iii) authorized the entering into of this Agreement and the performance by Stratos of its obligations hereunder.

(e) Stratos Subsidiaries. The only Subsidiaries of Stratos are the Stratos Subsidiaries and there are no other corporations in which Stratos owns a direct or indirect interest of greater than 10%, except for Stratos's indirect minority interests in Navarino Telecom SA and NTS Maritime Ltd. and majority interest in Moskowskij Teleport.

(f) No Defaults. Neither Stratos nor any Stratos Subsidiary is in default under (where such default has not been waived and disclosed in the Stratos Disclosure Letter), and there exists no event, condition or occurrence which, after notice or lapse of time or both, would constitute such a default under, any contract, agreement or licence to which any of them is a party or by which any of them is bound which would, individually or in the aggregate, have a Material Adverse Effect on Stratos.

(g) Absence of Changes. Since December 31, 2006, except as publicly disclosed in the Stratos Documents filed on SEDAR prior to the date hereof:

(i) Stratos and each Stratos Subsidiary has conducted its business only in the ordinary and regular course of business consistent with past practice;

(ii) neither Stratos nor any Stratos Subsidiary has incurred or suffered a Material Adverse Change;

(iii) there has not been any acquisition or sale by Stratos or any Stratos Subsidiary of any material property or assets thereof;

(iv) other than in the ordinary and regular course of business consistent with past practice, there has not been any incurrence, assumption or guarantee by Stratos or any Stratos Subsidiary of any debt for borrowed money, any creation or assumption by Stratos or any Stratos Subsidiary of any Encumbrance, any making by Stratos or any Stratos Subsidiary of any loan, advance or capital contribution to or investment in any other Person or any entering into, amendment of, relinquishment, termination or non-renewal by Stratos or any Stratos Subsidiary of any contract, agreement, licence, lease transaction, commitment or other right or obligation which would, individually or in the aggregate, have a Material Adverse Effect on Stratos;

(v) Stratos has not declared or paid any dividends or made any other distribution on any of the Stratos Shares;

(vi) Stratos has not effected or passed any resolution to approve a split, consolidation or reclassification of any of the outstanding Stratos Shares;

(vii) other than in the ordinary and regular course of business consistent with past practice, there has not been any material increase in or modification of the compensation payable or to become payable by Stratos or any Stratos Subsidiary to any Employee or to any of their respective directors or officers, or any grant to any Employee or any such director or officer of any material increase in severance or termination pay or any material increase or modification of any Employee Plan (including the granting of Stratos Options pursuant to the Stratos Option Plan) made to, for or with any of such Employee, directors or officers;

(viii) unless required by Canadian GAAP, Stratos has not effected any material change in its accounting methods, principles or practices; and

(ix) neither Stratos nor any Stratos Subsidiary has entered into or adopted any, or materially amended any, collective bargaining agreement or Employee Plan.

(h) Employment Agreements. Other than as publicly disclosed in the Stratos Documents filed on SEDAR prior to the date hereof and other than as disclosed in the Stratos Disclosure Letter, neither Stratos nor any Stratos Subsidiary is a party to or bound by any written contracts in respect of any Employee, former Employee or consultant including:

(i) any written contracts providing for the re-employment of any Employee;

(ii) any Employee Plan applicable solely to senior management of Stratos and not Employees generally;

(iii) any written or, to the knowledge of Stratos, oral policy, agreement, obligation or understanding providing for severance or termination payments to any Employee, consultant, director or officer of Stratos or any Stratos Subsidiary or any employment, service, consulting or other agreement with any Employee, consultant, director or officer of Stratos or any Stratos Subsidiary which provides for termination of employment or of the contract, as the case may be, on more than six months' notice (excluding such as results by Law from the employment of an employee without an agreement as to notice or severance).

(i) Collective Agreements. Other than as disclosed in the Stratos Disclosure Letter:

(i) neither Stratos nor any Stratos Subsidiary is a party to any collective bargaining agreement, contract or legally binding commitment to any trade union or employee organization in respect of or affecting the Employees;

(ii) neither Stratos nor any Stratos Subsidiary is currently engaged in any labour negotiation;

(iii) neither Stratos nor any Stratos Subsidiary are a party to any application, claim, complaint, grievance arbitration or other proceeding by or respecting any Employees or former Employees under any Laws or before any Governmental Entity, including any application for certification or which otherwise involves the recognition of any trade union or similar employee organization as the bargaining agent of any of the Employees, or any unfair labour practice complaint;

(iv) neither Stratos nor any Stratos Subsidiary is, to the knowledge of Stratos, currently engaged in any unfair labour practice nor is Stratos aware of any pending or threatened complaint regarding any alleged unfair labour practices;

(v) there is no strike, labour dispute, work slow down or stoppage against or involving Stratos or any Stratos Subsidiary nor, to the knowledge of Stratos, are any strikes, labour disputes, work slowdowns or stoppages pending or threatened against Stratos or any Stratos Subsidiary which would have a Material Adverse Effect on Stratos;

(vi) to the knowledge of Stratos, there is no lockout pending or anticipated by Stratos or any Stratos Subsidiary;

(vii) there is no grievance or arbitration proceeding arising out of or under any collective bargaining agreement pending or threatened against Stratos or any Stratos Subsidiary;

(viii) neither Stratos nor any Stratos Subsidiary has experienced any material work stoppage in the 24-month period immediately preceding the date hereof; and

(ix) to the knowledge of Stratos, neither Stratos nor any Stratos Subsidiary is, nor has it been in the 24-month period preceding the date hereof, the subject of any union organization effort or campaign or similar organization effort by any employee organization or group in respect of or affecting Employees.

(j) Financial Matters.

(i) The audited consolidated financial statements of Stratos as at and for the fiscal years ended December 31, 2005 and December 31, 2006 (including the notes thereto and related management's discussion and analysis) were prepared in accordance with Canadian GAAP, consistently applied, and fairly present in all material respects the consolidated financial condition of Stratos at the respective dates indicated and the results of operations of Stratos for the periods covered on a consolidated basis and reflect adequate provision for the liabilities of Stratos on a consolidated basis in accordance with Canadian GAAP. Neither Stratos nor any Stratos Subsidiary has any liability or obligation (including liabilities or obligations to fund any operations or work or exploration program, to give any guarantees or for Taxes), whether accrued, absolute, contingent or otherwise, not reflected in the consolidated financial statements of Stratos for the year ended December 31, 2006, except liabilities and obligations incurred in the ordinary and regular course of business since December 31, 2006.

(ii) The management of Stratos has established and maintained a system of disclosure controls and procedures designed to provide reasonable assurance that information required to be disclosed by Stratos in its annual filings, interim filings or other reports filed, furnished or submitted by it under provincial and territorial securities legislation is reported within the time periods specified in such legislation, laws and rules.

(iii) Neither Stratos nor any Stratos Subsidiary nor, to the knowledge of Stratos, any director, officer or employee of Stratos or any Stratos Subsidiary, has received or otherwise had or obtained knowledge of any complaint, allegation, assertion or claim, whether written or oral, regarding the accounting or auditing practices, procedures, methodologies or methods of Stratos or any Stratos Subsidiary or their respective internal accounting controls, including any complaint, allegation, assertion or claim that Stratos or any Stratos Subsidiary has engaged in questionable accounting or auditing practices, which has not been resolved to the satisfaction of the Audit Committee of the Board of Directors of Stratos.

(k) Minute Books and Records. The minute books of Stratos and, since the date each Stratos Subsidiary was acquired or incorporated by Stratos, the minute books of each Stratos Subsidiary have been maintained in accordance with all applicable Laws and are complete and accurate in all material respects. The minute books of Stratos and the Stratos Subsidiaries made available to CIP for review are true and complete in all material respects and the minutes and documents contained therein have not been amended or supplemented since the time of such review. Financial books and records and accounts of Stratos and the Stratos Subsidiaries in all material respects (i) have been maintained in accordance with good business practices on a basis consistent with prior years, (ii) are stated in reasonable detail and accurately and fairly reflect the

material transactions and acquisitions and dispositions of assets of Stratos and the Stratos Subsidiaries, and (iii) accurately and fairly reflect the basis for the consolidated financial statements of Stratos.

(l) Litigation. Other than as disclosed in the Stratos Disclosure Letter, there is no complaint, claim, action, proceeding or investigation pending or in progress or, to the knowledge of Stratos, threatened against or relating to Stratos or any Stratos Subsidiary or affecting any of their respective properties, permits, licences or assets before any Governmental Entity that individually or in the aggregate has, or, if successful, could have, a Material Adverse Effect on Stratos. There is no bankruptcy, liquidation, winding-up or other similar proceeding pending or in progress, or, to the knowledge of Stratos, threatened against or relating to Stratos or any Stratos Subsidiary before any Governmental Entity. Neither Stratos nor any Stratos Subsidiary, nor any of their respective properties or assets is subject to any outstanding judgment, fine, penalty, order, writ, injunction or decree that individually or in the aggregate has a Material Adverse Effect on Stratos or that would reasonably be expected to impede, interfere with, prevent or materially delay the Arrangement and the transactions contemplated by this Agreement.

(m) Title to Properties and Condition of Assets. Stratos and each Stratos Subsidiary has sufficient title, free and clear of any title defect or Encumbrance, to its properties (other than property as to which it is a lessee, in which case it has a valid leasehold interest), except for such defects in title or Encumbrances that, individually or in the aggregate, do not have a Material Adverse Effect on Stratos. All real and tangible personal property of Stratos and each Stratos Subsidiary is in generally good repair and is operational and usable in the manner in which it is currently being utilized, subject to normal wear and tear and technical obsolescence, repair or replacement, except for such property whose failure to be in such condition does not have a Material Adverse Effect on Stratos. All required permits or registrations necessary to perfect title in and to such assets have been carried out in compliance with applicable Law and are in full force and effect, except for any non-compliance that, individually or in the aggregate, does not have a Material Adverse Effect on Stratos.

(n) Land Earth Stations. Other than as publicly disclosed in the Stratos Documents filed on SEDAR prior to the date hereof and other than as disclosed in the Stratos Disclosure Letter, Stratos and each Stratos Subsidiary has sufficient title, free and clear of any title defect or Encumbrance, or otherwise has a valid leasehold interest, to each property on which a land earth station is located, except for such defects in title or Encumbrances that, individually or in the aggregate, do not have a Material Adverse Effect on Stratos.

(o) Intellectual Property. Other than the licenses, patents, patent applications, registered trademarks or service marks, trademark or service mark applications, registered copyrights and copyright applications publicly disclosed in the Stratos Documents filed on SEDAR prior to the date hereof and other than as disclosed in the Stratos Disclosure Letter (“**Stratos Intellectual Property**”), neither Stratos nor any Stratos Subsidiary own any licenses, patents, patent applications, registered trademarks or service marks, trademark or service mark applications, registered copyrights and copyright applications that are material to the business of Stratos and the Stratos Subsidiaries, taken as a whole. Except as set out in the Stratos Disclosure Letter, Stratos owns or possesses the right to use all of the Stratos Intellectual Property, free and

clear of any Encumbrances, and all such Stratos Intellectual Property has not expired or been cancelled or terminated. Stratos has not received any written notice within the 12 months prior to the date hereof from any Person claiming that the continuing conduct by Stratos of its business as presently conducted will result in the infringement of any Stratos Intellectual Property or other intellectual property owned by any Person or challenging the validity of any registration for and ownership or rights under license of the Stratos Intellectual Property, except for such instances where the claim has been settled without continuing liability or material payments by Stratos.

(p) Permits. Stratos and each Stratos Subsidiary has obtained and is in compliance with all licences, permits, certificates, consents, orders, grants and other authorizations of or from any Governmental Entity that are applicable to or held by it and are necessary to conduct its businesses as they are now being conducted (collectively, “**Permits**”), other than any such Permits the absence of, or non-compliance with, which would not have a Material Adverse Effect on Stratos. There has not occurred any violation of, or any default under, or any event giving rise to any right of termination, revocation, adverse modification, non-renewal or cancellation of any Permit, and no Governmental Entity has provided Stratos or any Stratos Subsidiary with notice of any of the foregoing, except for any such matter as would not have a Material Adverse Effect on Stratos. Without limiting the generality of the foregoing, (i) Stratos and each Stratos Subsidiary has obtained and is in material compliance with all material Permits of or from any Governmental Entity of Australia, Canada, Germany, Greece, the United Kingdom or the United States and (ii) no material violation of or default under, and no event giving rise to any right of termination, revocation, adverse modification, non-renewal or cancellation of any material Permit from any Governmental Entity of Australia, Canada, Germany, Greece, the United Kingdom or the United States has occurred, and no such Governmental Entity has provided Stratos or any Stratos Subsidiary with notice of any of the foregoing. Without limiting the generality of the foregoing, the HF coast radio services radio spectrum licences held by Stratos or any of its Subsidiaries are not subject to any ownership and control restrictions imposed by any applicable Laws, and none of the Permits issued to Stratos and any Stratos Subsidiary require approval from Industry Canada to the transactions contemplated by this Agreement.

(q) Insurance. Stratos and each Stratos Subsidiary maintains policies of insurance in amounts and in respect of such risks as are normal and usual for companies of a similar size operating in the telecommunications services industry and as required in accordance with their respective licences and permits, and such policies are in full force and effect as of the date hereof.

(r) Environmental. There exists no Environmental Condition with respect to Stratos and, to the knowledge of Stratos, there exists no Environmental Condition in respect of any Stratos Subsidiary, which, individually or in the aggregate, has a Material Adverse Effect on Stratos. Stratos has received no notice, directive or advisory from any Governmental Entity of any Environmental Condition with respect to Stratos or, to the knowledge of Stratos, any Stratos Subsidiary that would have a Material Adverse Effect on Stratos. Stratos and each Stratos Subsidiary has all Environmental Approvals required pursuant to Environmental Laws in respect of its respective current operations and is in compliance with such Environmental Approvals except where any non-compliance would not have a Material Adverse Effect on Stratos.

(s) Tax Matters. Other than as disclosed in the Stratos Disclosure Letter:

(i) Stratos and each Stratos Subsidiary has filed or caused to be filed, and will continue to file and cause to be filed, in a timely manner all Tax Returns required to be filed by it (all of which Tax Returns were correct and complete in all material respects and no material fact has been omitted therefrom) and has paid, collected, withheld or remitted, or caused to be paid, collected, withheld or remitted, all Taxes that are due and payable, collectible and remittable. Stratos has provided adequate accruals in accordance with Canadian GAAP in its published consolidated financial statements for any Taxes for the period covered by such financial statements which have not been paid, whether or not shown as being due on any Tax Returns. Since such publication date, no material liability for Taxes not reflected in such consolidated financial statements has been incurred or accrued by Stratos or any Stratos Subsidiary other than in the ordinary course of business. No lien for Taxes has been filed or exists other than for Taxes not yet due and payable.

(ii) There are no reassessments for any material amount of Taxes in respect of Stratos or any Stratos Subsidiary that have been issued and are outstanding and there are no outstanding issues which have been raised and communicated to Stratos or any Stratos Subsidiary by any Governmental Entity for any taxation year in respect of which a Tax Return of Stratos or any Stratos Subsidiary has been audited other than those which are being contested in good faith. No Governmental Entity has challenged, disputed or questioned Stratos or any Stratos Subsidiary in respect of Taxes or Tax Returns. Neither Stratos nor any Stratos Subsidiary is negotiating any draft assessment or reassessment with any Governmental Entity. Stratos is not aware of any contingent liabilities for Taxes or any grounds for an assessment or reassessment of Stratos or any Stratos Subsidiary, including unreported benefits conferred on any shareholder, aggressive treatment of income, expenses, credits or other claims for deduction under any return or notice other than as disclosed in the Financial Statements. Neither Stratos nor any Stratos Subsidiary has received any indication in writing from any Governmental Entity that an assessment or reassessment of Stratos or any Stratos Subsidiary is proposed in respect of any Taxes, regardless of its merits. Neither Stratos nor any Stratos Subsidiary has executed or filed with any Governmental Entity any agreement or waiver extending the period for assessment, reassessment or collection of any Taxes. All taxation years up to and including the taxation year ended 1999 are considered closed by Canadian federal and provincial governmental bodies for the purposes of all Taxes.

(iii) Stratos and each Stratos Subsidiary has withheld from each payment made to any of its present or former Employees, officers and directors, and to all other persons, all amounts required by law to be withheld, and furthermore, has remitted such withheld amounts within the prescribed periods to the appropriate Governmental Entity. Stratos and each Stratos Subsidiary has remitted all Canada Pension Plan contributions, provincial pension plan contributions, employment insurance premiums, employer health taxes and other Taxes payable by it in respect of its employees to the proper Governmental Entity within the time required under the applicable legislation. Stratos and each Stratos Subsidiary has charged, collected and remitted on a timely basis all Taxes as required under applicable legislation on any sale, supply or delivery whatsoever, made by them.

(iv) Neither Stratos nor any Stratos Subsidiary has participated, directly or through a partnership, in a transaction or series of transactions contemplated in subsection 247(2) of the ITA or any analogous or equivalent provincial legislative provision.

(t) Employee Plans. Other than as disclosed in the Stratos Disclosure Letter:

(i) All material written employee benefit, welfare, supplemental unemployment benefit, bonus, pension, profit sharing, tax equalization, executive compensation, current or deferred compensation, incentive compensation, stock compensation, stock purchase, stock option, stock appreciation, phantom stock option, savings, severance or termination pay, retirement, supplementary retirement, hospitalization insurance, salary continuation, legal, health or other medical, dental, life, disability or other insurance (whether insured or self-insured) plan, program, agreement or arrangement, sponsored, maintained or contributed to or required to be contributed to by Stratos or any Stratos Subsidiary for the benefit of its Employees or former Employees and their dependants or beneficiaries in which Stratos or any Stratos Subsidiary participates or has any actual or potential liability or obligations, other than plans established pursuant to statute (collectively the “**Employee Plans**”) are customary and in good standing.

(ii) All of the Employee Plans have been established, registered, qualified, funded, invested and administered in material compliance with, and are in good standing under, all Laws and the terms of such Employee Plans. No fact or circumstance exists that could adversely affect the registered status of any Employee Plan.

(iii) Stratos does not have any “registered pension plan” as that term is defined in subsection 248(1) of the ITA or in any Laws (collectively the “**Pension Plans**”).

(iv) No material amendments have been made to any Employee Plan, no material improvements to any Employee Plan have been promised and no amendments or improvements to any Employee Plan will be made or promised by Stratos or any Stratos Subsidiary prior to the Effective Time.

(v) None of the Employee Plans provides post-retirement benefits to or in respect of the Employees or any former Employees or to or in respect of the beneficiaries of such Employees and former Employees.

(vi) All material obligations regarding the Employee Plans have been satisfied and there are no outstanding defaults or violations by any party thereto and no taxes, penalties or fees are owing or exigible under any of the Employee Plans.

(vii) All contributions or premiums required to be made by Stratos or any Stratos Subsidiary under the terms of each Employee Plan, any collective bargaining agreement or by Laws have been made in a timely fashion in accordance with Laws and the terms of the Employee Plans and any applicable collective bargaining agreement, and none of Stratos nor any Stratos Subsidiary has, nor will have as of the Effective Date, any actual or potential unfunded liabilities (other than liabilities accruing after the Effective

Date) with respect to any of the Employee Plans. All liabilities of Stratos or any Stratos Subsidiary (whether accrued, absolute, contingent or otherwise) related to all Employee Plans have been fully and accurately disclosed in accordance with Canadian GAAP in the consolidated financial statements of Stratos.

(viii) Except as contemplated in this Agreement and except as disclosed in the Stratos Documents filed on SEDAR, the execution of this Agreement and the completion of the Arrangement and the transactions contemplated hereby will not (either alone or in conjunction with any additional or subsequent events) constitute an event under any Employee Plan that will or may result in any material (A) payment (whether of severance pay or otherwise), (B) acceleration of payment or vesting of benefits, (C) forgiveness of indebtedness, (D) distribution, (E) restriction on funds, or (F) increase in benefits or obligation to fund benefits with respect to any Employee.

(ix) There exists no material liability in connection with any former benefit plan relating to the Employees or former Employees of Stratos or any Stratos Subsidiaries or their beneficiaries that has terminated, and all procedures for termination of each such former benefit plan have been properly followed in material compliance with the terms of such former benefit plans and Laws.

(u) Reporting Status. Stratos is a reporting issuer or its equivalent not in default in each of the provinces and territories of Canada. The Stratos Shares are listed on the TSX.

(v) Foreign Private Issuer. As of the date hereof, Stratos is a “foreign private issuer” as defined in Rule 405 under the United States Securities Act of 1933, as amended.

(w) Reports. Stratos has filed (including, as applicable, on SEDAR) or furnished, as applicable, with the Securities Authorities, the TSX and all applicable self-regulatory authorities all forms, reports, schedules, statements, certifications, material change reports and other documents required to be filed or furnished by it (such forms, reports, schedules, statements, certifications and other documents, including any financial statements or other documents, including any schedules included therein, are referred to as the “**Stratos Documents**”). The Stratos Documents, at the time filed or furnished, complied in all material respects with the requirements of applicable securities legislation and the rules, policies and instruments of all Securities Authorities having jurisdiction over Stratos. As of their respective dates (or, if amended prior to the date hereof, as of the date of such amendment) the Stratos Documents filed with or furnished to any Securities Authority did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances in which they were made, not misleading. Stratos has not filed any confidential material change or other report or other document with any Securities Authorities or stock exchange or other self-regulatory authority which at the date hereof remains confidential.

(x) Compliance with Laws. Stratos and, to the knowledge of Stratos, each Stratos Subsidiary has complied and is in compliance with all applicable Laws other than such non-compliance which would not, individually or in the aggregate, have a Material Adverse Effect on

Stratos. Stratos has complied and is in compliance, in all material respects, with any applicable listing and corporate governance rules and regulations of the TSX.

(y) No Cease Trade. Stratos is not subject to any cease trade or other order of any applicable stock exchange or Securities Authority and, to the knowledge of Stratos, no investigation or other proceeding involving Stratos which may operate to prevent or restrict trading of any securities of Stratos is currently in progress or pending before any applicable stock exchange or Securities Authority.

(z) No Option on Assets. No Person has any agreement or option or any right or privilege capable of becoming an agreement or option for the purchase from Stratos or any Stratos Subsidiary of any of the material assets of Stratos or any Stratos Subsidiary.

(aa) Material Contracts. Neither Stratos nor any Stratos Subsidiary is in breach or default under any contract or arrangement involving revenues, expenditures or liabilities affecting the business of Stratos in excess of \$3,000,000 per annum, or is aware of any condition that with the passage of time or the giving of notice or both would result in such a breach or default, except in each case where any such breaches or defaults would not, individually or in the aggregate, have a Material Adverse Effect on Stratos. Neither Stratos nor any Stratos Subsidiary knows of, or has received written notice of, any breach or default under (nor, to the knowledge of Stratos, does there exist any condition which with the passage of time or the giving of notice or both would result in such a breach or default under) any material contract by any other party thereto, except where any such violation or default would not, individually or in the aggregate, have a Material Adverse Effect on Stratos. Prior to the date hereof, Stratos has made available to CIP true and complete copies of all material contracts.

(bb) Certain Contracts. Other than as disclosed in the Stratos Disclosure Letter, neither Stratos nor, to the knowledge of Stratos, any Stratos Subsidiary is, nor since the date Stratos incorporated or acquired each Stratos Subsidiary, has any Stratos Subsidiary become, a party to or bound by any non-competition agreement or any other agreement, obligation, judgment, injunction, order or decree which purports to (i) limit the manner or the localities in which all or any portion of the business of Stratos or the Stratos Subsidiary is conducted, (ii) limit any business practice of Stratos or any Stratos Subsidiary, or (iii) restrict any acquisition or disposition of any property by Stratos or any Stratos Subsidiary, in each case other than such agreements, obligations, judgments, injunctions, orders or decrees which would not, individually or in the aggregate, have a Material Adverse Effect on Stratos.

(cc) Disclosure/Internal Controls. Stratos has designed disclosure controls and procedures to ensure that material information relating to Stratos, including the Stratos Subsidiaries, is made known to the management of Stratos by others within those entities. With respect to Stratos's most recent annual information form, Stratos's chief executive officer and its chief financial officer have disclosed, based on their most recent evaluation, to Stratos's auditors (i) all significant deficiencies in the design or operation of the internal controls that are reasonably likely to adversely affect Stratos's ability to record, process, summarize and report financial data and have identified for Stratos's auditors any material weakness in internal controls, and (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in Stratos's internal controls.

(dd) Government Grants. Other than as disclosed in the Stratos Disclosure Letter, the execution and delivery by Stratos of this Agreement and the performance by it of its obligations hereunder and the completion of the Arrangement and the transactions contemplated hereby do not and will not give rise to any right of termination or demand for repayment of any material grant from any Governmental Entity or any material funding under any government incentive program, or cause any such grant or funding to cease to be available.

(ee) Stratos Rights Plan. Stratos has not (i) deferred the separation of the rights under the Stratos Rights Plan for the benefit or in respect of any Person, or (ii) waived or suspended the operation of or otherwise rendered the Stratos Rights Plan inoperative in respect of any Acquisition Proposal.

(ff) Non-Arm's Length Transactions. No current or former director, officer or employee or any registered or, to the knowledge of Stratos, beneficial, Shareholder owning 5% or more of the Stratos Shares (an "**Interested Person**") is indebted to Stratos or any Stratos Subsidiary, nor is Stratos or any Stratos Subsidiary indebted to any Interested Person, except such indebtedness as is expressly disclosed in the Stratos Disclosure Letter and except for usual employee reimbursements and compensation paid in the ordinary and normal course of the business. Except for employment agreements, agreements with non-executive directors regarding their services as directors of Stratos or any Stratos Subsidiary (that do not impose any material payment obligations on Stratos or any Stratos Subsidiary) and other than as disclosed in the Stratos Disclosure Letter, neither Stratos nor any Stratos Subsidiary is a party to any written or oral agreement with any Interested Person. Except as is disclosed in the Stratos Disclosure Letter, no Interested Person: (a) owns, directly or indirectly, in whole or in part, any property that Stratos or any Stratos Subsidiary uses in the operation of the business; or (b) has any cause of action or other claim whatsoever against, or is owed any amount by Stratos or any Stratos Subsidiary in connection with the business, except for any liabilities reflected in the audited consolidated financial statements of Stratos for the year ended December 31, 2006 and claims in the ordinary course of business such as for accrued expense reimbursements, vacation pay and benefits under any Benefit Plans.

(gg) Foreign Corrupt Practices Act. Neither Stratos or any Stratos Subsidiary, nor any current officer, director or employee nor, to the knowledge of Stratos, any former officer, director or employee or any current or former representative or agent of Stratos or any Stratos Subsidiary acting on behalf of Stratos or any Stratos Subsidiary has: (i) offered or given, and no Person acting on behalf of Stratos or any Stratos Subsidiary has offered or given on its behalf anything of value to: (A) any member or official of a Governmental Entity, any political party, or official of any political party, or any candidate for political office; (B) any customer of any Governmental Entity; or (C) any other Person, in any such case while knowing that all or a portion of such money or thing of value may be offered, given, or promised, directly or indirectly, to any customer, member, or official of any Governmental Entity or candidate for political office for the purpose of the following: (1) influencing any action or decision of such Person, in his, her, or its official capacity, including a decision to fail to perform his, her, or its official function; (2) inducing such Person to use his, her, or its influence with any Governmental Entity affect or influence any act or decision of such Governmental Entity to assist Stratos or any Stratos Subsidiary in obtaining or retaining business for, or with, or directing business to, any Person; or (3) where such money or thing of value would constitute a bribe, kickback, or illegal

or improper payment to assist Stratos or any Stratos Subsidiary in obtaining or retaining business for, or with, or directing business to, any Person; or (ii) otherwise taken any other action by or on behalf of Stratos or any Stratos Subsidiary that would cause Stratos to be in violation in any material respect of the *Foreign Corrupt Practices Act* of the United States of America or the *Corruption of Foreign Public Officials Act* (Canada).

(hh) Investment Canada Act. Stratos and the Stratos Subsidiaries do not provide any of the services and do not engage in any of the activities of a business described in subsection 14.1(5) of the Investment Canada Act.

(ii) Competition Act. Neither the aggregate value of the gross assets in Canada of Stratos and the Stratos Subsidiaries, nor the gross revenues from sales in, from or into Canada of Stratos and the Stratos Subsidiaries, determined in the manner prescribed for the purposes of the Competition Act, exceeds Cdn.\$400 million.

(jj) No Broker's Commission. Stratos has not entered into any agreement that would entitle any Person to any valid claim against Stratos for a broker's commission, finder's fee or any like payment in respect of the Arrangement or any other matter contemplated by this Agreement, except for the financial advisory fees disclosed in the Stratos Disclosure Letter.

3.2 Survival of Representations and Warranties

The representations and warranties of Stratos contained in this Agreement shall survive the execution and delivery of this Agreement and shall terminate on the earlier of the termination date of this Agreement in accordance with its terms and the Effective Date. Any investigation by CIP or its advisors shall not mitigate, diminish or affect the representations and warranties of Stratos made hereunder.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF CIP

4.1 Representations and Warranties

CIP Limited hereby represents and warrants, with respect to itself, CIP Acquireco and the CIP Group, to and in favour of Stratos as follows and acknowledges that Stratos is relying upon such representations and warranties in entering into this Agreement and the Arrangement:

(a) Organization. CIP Limited is incorporated under the laws of England and Wales and CIP Acquireco is incorporated under the laws of New Brunswick, and each is validly subsisting and has full legal power and authority to own its property and assets and to conduct its business as currently owned and conducted. Each of CIP Limited and CIP Acquireco is registered, licensed or otherwise qualified as an extra-provincial entity or a foreign entity in each jurisdiction where the nature of the business or the location or character of the property and assets owned or leased by it requires it to be so registered, licensed or otherwise qualified. All of the outstanding securities of each of CIP Limited and CIP Acquireco are duly authorized, validly issued, fully paid and non-assessable (and, where required, properly registered). There are no outstanding options, rights, entitlements, understandings or commitments (contingent or

otherwise) regarding the right to acquire any issued or unissued securities of CIP Limited or CIP Acquireco, other than the Call Option.

(b) Authority. CIP Limited, CIP Acquireco and each other member of the CIP Group, as applicable, have all necessary power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by CIP Limited, CIP Acquireco and such other member of the CIP Group as contemplated by this Agreement and the Call Option Agreement (including, as of the date of their respective execution, the Facility Agreement and the Trust Agreement), and to perform their obligations hereunder and under such other agreements and instruments. The execution and delivery of this Agreement and the Call Option Agreement (and, when executed, the Facility Agreement and the Trust Agreement) by CIP Parent, CIP Limited and CIP Acquireco, as applicable, and the completion by CIP Parent, CIP Limited and CIP Acquireco of the Arrangement and the transactions contemplated by this Agreement have been authorized by the Board of Directors or shareholders of each member of the CIP Group, as applicable, and no other corporate proceedings (including securityholder meetings) on the part of any member of the CIP Group are necessary to authorize this Agreement or to complete the transactions contemplated hereby. This Agreement and the Call Option Agreement have been executed and delivered by CIP Limited and CIP Acquireco, as applicable, and constitute, and when executed, the Facility Agreement and the Trust Agreement shall constitute, legal, valid and binding obligations of each of CIP Parent, CIP Limited and CIP Acquireco, as applicable, enforceable against each of them in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium and other applicable Laws relating to or affecting creditors' rights generally, and to general principles of equity. The execution and delivery by CIP Parent, CIP Limited and CIP Acquireco, as applicable, of this Agreement and the Call Option Agreement and, when executed, the Facility Agreement and the Trust Agreement, and the performance by them of their respective obligations hereunder and thereunder and the completion of the Arrangement and the transactions contemplated hereby and thereby, do not and will not:

- (i) result in a violation, contravention or breach of, require any consent to be obtained under or give rise to any termination rights under any provision of,
 - (A) the articles or constating documents of any member of the CIP Group,
 - (B) except for obtaining the Regulatory Approvals, any Laws, or
 - (C) any contract, agreement, licence or permit to which any member of the CIP Group is bound or is subject to or of which any member of the CIP Group, as applicable, is the beneficiary;
- (ii) give rise to any right of termination or acceleration of indebtedness, or cause any indebtedness owing by CIP any member of the CIP Group to come due before its stated maturity or cause any of its available credit to cease to be available; or
- (iii) result in the imposition of any Encumbrance upon any of the property or assets of any member of the CIP Group, or restrict, hinder, impair or limit the ability of any member of the CIP Group to conduct their respective businesses as and where

they are now being conducted (subject to the provisions of the Facility Agreement and the Call Option Agreement).

No consent, approval, order or authorization of, or declaration or filing with, or waiver of any right of, any Governmental Entity or other Person is required to be obtained or made by any member of the CIP Group in connection with the execution and delivery of this Agreement, the Facility Agreement, the Call Option Agreement and the Trust Agreement or the consummation by CIP Parent, CIP Limited and CIP Acquireco of the Arrangement and the transactions contemplated hereby and thereby other than (i) the Regulatory Approvals, (ii) any approvals required pursuant to the Interim Order or the Final Order, (iii) filings with and approvals required by the Securities Authorities and stock exchanges, (iv) any consent, approval, order, authorization, waiver, permit or filing required under any applicable Antitrust Law or in connection with the completion of the transfer of shares upon exercise of the Call Option, and (v) any other consent, approval, order, authorization, declaration, filing or waiver which, if not obtained, would not, individually or in the aggregate, have a material adverse effect on CIP.

(c) No Defaults. No member of the CIP Group is in default under, nor does there exist any event, condition or occurrence which, after notice or lapse of time or both, would constitute such a default under, any contract, agreement or licence to which it is a party or by which it is bound.

(d) Financing. CIP Limited has entered into the Commitment Letter in order to fund (i) the payment of the aggregate Cash Consideration and the Option Consideration, if any, on the Effective Date, and (ii) the purchase of any Stratos Bonds tendered in the offer to repurchase the Stratos Bonds as required by, and in accordance with, the indenture governing the Stratos Bonds or the refinancing of the Stratos Credit Facility.

(e) Common Shares. No member of the CIP Group owns or exercises control or direction over any Stratos Shares (nor does any member of the CIP Group have any right, option or other agreement to acquire any Stratos Shares other than pursuant to the terms hereof) as of the date hereof.

(f) Ownership and Control. The shareholders and securityholders of CIP Limited are set out in the CIP Disclosure Letter. Except as contemplated by the Facility Agreement and the Call Option Agreement, and except as disclosed in the CIP Disclosure Letter, neither Inmarsat nor any of its affiliates owns any securities of any member of the CIP Group. Except as contemplated by the Facility Agreement and the Call Option Agreement, and except as disclosed in the CIP Disclosure Letter, Inmarsat has no option, warrant, conversion privilege or other right, agreement, arrangement or commitment (pre-emptive, contingent or otherwise) obligating any member of the CIP Group to issue or sell any shares of any member of the CIP Group or Stratos to or at the direction of Inmarsat. Except as disclosed in the CIP Disclosure Letter, Inmarsat has no securities or obligations of any kind convertible into or exchangeable for any shares of any member of the CIP Group.

4.2 Survival of Representations and Warranties

The representations and warranties of CIP Limited contained in this Agreement shall survive the execution and delivery of this Agreement and shall terminate on the earlier of the termination date of this Agreement in accordance with its terms and the Effective Date. Any investigation by Stratos or its advisors shall not mitigate, diminish or affect the representations and warranties of CIP Limited made hereunder.

ARTICLE V COVENANTS

5.1 Covenants of Stratos

Stratos hereby covenants and agrees with CIP Limited and CIP Acquireco as follows:

(a) Interim Order. As soon as practicable and, in any event, on or before April 20, 2007, Stratos shall apply for, file, proceed with and diligently prosecute an application to the Court for the Interim Order as provided in Section 2.2 on terms and conditions acceptable to Stratos and CIP, acting reasonably.

(b) Stratos Meeting. In a timely and expeditious manner, Stratos shall:

(i) forthwith carry out such terms of the Interim Order as are required under the terms thereof to be carried out by Stratos;

(ii) fix a record date of no later than May 1, 2007 for the purposes of determining shareholders entitled to receive notice of the Stratos Meeting and vote thereat;

(iii) prepare in consultation with CIP and file the Stratos Circular, together with any other documents required by applicable Laws and the rules and policies of the TSX in connection with the approval of the Arrangement and the transactions contemplated hereby, in all jurisdictions where the Stratos Circular is required to be filed, and mail the Stratos Circular, as ordered by the Interim Order and in accordance with all applicable Laws, in and to all jurisdictions where the Stratos Circular is required to be mailed, complying in all material respects with all applicable Laws on the date of the mailing thereof and shall ensure that the Stratos Circular does not contain any misrepresentation (other than with respect to any information relating to and provided by the CIP Group). Stratos shall provide each of CIP Limited and CIP Acquireco with a reasonable opportunity to review and comment on the Stratos Circular and all such other documents, and the disclosure contained therein relating to the Arrangement and the transaction structure shall be in substance acceptable to CIP, acting reasonably. Without limiting the generality of the foregoing, Stratos shall ensure that the Stratos Circular complies with National Instrument 51-102 "Continuous Disclosure Requirements" and Form 51-102F5 thereunder adopted by the Canadian Securities Administrators and provides Shareholders with information in sufficient detail to permit them to form a reasoned judgment concerning the matters to be placed before them at the Stratos Meeting, and include in the Stratos Circular a statement that the Stratos Board of

Directors has unanimously, after receiving legal and financial advice and following the receipt and review of the unanimous recommendation of the Special Committee of the Stratos Board of Directors, determined that the Arrangement Resolution is in the best interests of Stratos and the Shareholders and that the Stratos Board of Directors unanimously recommends that Shareholders vote to approve the Arrangement Resolution;

(iv) use its commercially reasonable efforts to mail the Stratos Circular as soon as reasonably practicable following the record date for the Stratos Meeting and, subject to Section 5.1(c), convene the Stratos Meeting as provided in the Interim Order by no later than June 20, 2007;

(v) with the assistance of CIP, diligently do all such acts and things as may be necessary to comply, in all material respects, with National Instrument 54-101 of the Canadian Securities Administrators in relation to the Stratos Meeting and shall, in consultation with CIP and its counsel, use commercially reasonable efforts to benefit from the accelerated timing contemplated by such instrument;

(vi) provide notice to CIP of the Stratos Meeting and allow representatives of CIP to attend the Stratos Meeting;

(vii) conduct the Stratos Meeting in accordance with the Interim Order, the CBCA, the by-laws of Stratos and as otherwise required by applicable Laws; and

(viii) take all such actions as may be required under the CBCA in connection with the transactions contemplated by this Agreement and the Plan of Arrangement.

(c) Adjournment. Stratos shall not adjourn, postpone or cancel the Stratos Meeting (or propose to do so), except (i) if and as determined in Stratos's discretion, acting reasonably, provided that in any event Stratos shall hold the Stratos Meeting no later than July 20, 2007, (ii) if a quorum is not present at the Stratos Meeting (in which case the Stratos Meeting shall be adjourned and not cancelled), (iii) if and as required by applicable Laws, (iv) if and as required by the Shareholders, (v) if and as otherwise agreed with CIP in writing, (vi) as contemplated by Sections 6.5 and 7.2. In addition, provided that CIP reasonably believes that the refinancing of the Stratos Credit Facility cannot be arranged by the date of the Stratos Meeting, as scheduled, Stratos shall, if requested by CIP and permitted by applicable Law, adjourn the Stratos Meeting to a day designated by CIP that is not more than 30 days from the original date scheduled for the Stratos Meeting.

(d) Dissent Rights. Stratos shall provide CIP with a copy of any purported exercise of the Dissent Rights, any withdrawal of any such exercise, and written communications with each Shareholder purportedly exercising such Dissent Rights, and shall not settle or compromise any action brought by any present, former or purported holder of any of its securities in connection with the transactions contemplated by this Agreement, including the Arrangement, without the prior consent of CIP.

(e) Amendments to Stratos Circular. CIP and Stratos shall each promptly notify the other if at any time before the Effective Time it becomes aware that the Stratos Circular contains

an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made, or that otherwise requires an amendment or supplement to the Stratos Circular. In a timely and expeditious manner, Stratos shall prepare (in consultation with CIP) and file amendments or supplements to the Stratos Circular (which amendments or supplements shall be in form and substance satisfactory to CIP, acting reasonably) required by applicable Laws or as otherwise agreed between Stratos and CIP with respect to the Stratos Meeting and mail or otherwise publicly disseminate such amendments or supplements, as required by the Interim Order and in accordance with all applicable Laws, in and to all jurisdictions where such amendments or supplements are required to be mailed or disseminated, complying in all material respects with all applicable Laws on the date of the mailing or dissemination thereof.

(f) Filing Final Order. Stratos shall forthwith carry out the terms of the Interim Order and the Final Order and, following the issue of the Final Order and the satisfaction, fulfillment or waiver of the conditions in favour of Stratos and CIP set forth herein, at a time and on a date to be agreed by CIP and Stratos, but in any event not later than five Business Days after the later of: (i) receiving the Final Order and (ii) the satisfaction or waiver of the conditions in favour of Stratos and CIP set forth herein, other than those conditions that can only be satisfied on the Effective Date (provided that such conditions are capable of being satisfied on such date), or such other date as may be agreed to by the Parties, file the Final Order and any other required documents with the Director, as provided in Section 2.3, in order for the Arrangement to become effective and obtain the Certificate of Arrangement.

(g) Solicitation of Proxies. Subject to the terms of this Agreement, Stratos shall (i) take all lawful action to solicit proxies in favour of the Arrangement and the transactions contemplated hereby, including, if requested by CIP, at the discretion of Stratos, after giving reasonable consideration to the request by CIP, the appointment of a proxy solicitation agent; (ii) recommend to all Shareholders that they vote in favour of the Arrangement and the transactions contemplated hereby; (iii) promptly publicly reconfirm such recommendation upon the reasonable request from time to time of CIP; and (iv) not withdraw, modify, qualify or change (or publicly propose to or publicly state that it intends to withdraw, modify, qualify or change) in any manner adverse to CIP such recommendation except as explicitly permitted in Section 7.2(a).

(h) Proceedings. In a timely and expeditious manner, Stratos and each Stratos Subsidiary shall take all such actions and do all such acts and things as are contemplated hereby or as are specified in the Interim Order, the Plan of Arrangement and the Final Order to be taken or done by Stratos and the Stratos Subsidiaries, as applicable.

(i) Copy of Documents. Except for proxies and other non-substantive communications, Stratos shall furnish promptly to CIP a copy of each notice, report, schedule or other document or communication delivered, filed or received by Stratos in connection with this Agreement, the transactions contemplated hereby or the Stratos Meeting or any other meeting at which all Shareholders are entitled to attend (including all communications by Stratos's proxy solicitation agent), any filings made under any applicable Laws and any dealings or communications with any Governmental Entity, Securities Authority or stock exchange in

connection with, or in any way affecting, the transactions contemplated by this Agreement, including any notice of appearance and evidence served on Stratos or its counsel in respect of the applications for the Interim Order and Final Order. Stratos shall advise CIP, as reasonably requested, and on a daily basis on each of the last five Business Days prior to the Stratos Meeting, as to the aggregate tally of the proxies and votes received in respect of the Stratos Meeting.

(j) Certain Actions Prohibited. Other than in connection with completing the transactions contemplated hereby, prior to the Effective Time, Stratos shall, and shall cause each Stratos Subsidiary to conduct its business only in, and not take any action except in, the usual, ordinary course of business and consistent with past practices and take reasonable commercial efforts to preserve intact its present business organization, to keep available the services of its current officers and employees, and to preserve its relationships with customers, suppliers and others having business dealings with it. Stratos shall not (and shall ensure that each Stratos Subsidiary does not), without the prior written consent of CIP, which consent shall not be unreasonably withheld or delayed in respect of clauses (ii), (vi), (vii), (viii), (ix), (x) or (xi), directly or indirectly do or permit to occur any of the following:

(i) grant any additional Stratos Options or issue, sell, pledge, lease, contribute capital, dispose of, encumber or create any Encumbrance on or agree to issue, sell, pledge, lease, contribute capital, dispose of, or encumber or create any Encumbrance on, any shares or securities of, or any options, warrants, calls, conversion privileges or rights of any kind to acquire any shares or securities of, Stratos or any Stratos Subsidiary, other than the issue of Stratos Shares pursuant to the exercise of the Stratos Options issued and outstanding on the date hereof in accordance with their terms as of the date hereof;

(ii) other than (A) in the ordinary course of business consistent with past practice, (B) in respect of rights, properties or assets that are not, either individually or in the aggregate, material to Stratos, or (C) pursuant to obligations or rights disclosed in the Stratos Disclosure Letter (to the extent such rights have been exercised or initiated by other Persons), sell, lease or otherwise dispose of, or permit any Stratos Subsidiary to sell, lease or otherwise dispose of, any material property or assets or enter into any agreement or commitment in respect of any of the foregoing;

(iii) amend or propose to amend the articles or by-laws (or their equivalent) of Stratos or any Stratos Subsidiary or any of the terms of the Stratos Options as they exist at the date hereof;

(iv) split, consolidate, combine or reclassify any of the shares of Stratos or any Stratos Subsidiary, or declare, set aside or pay any dividend or other distribution payable in cash, securities, property or otherwise with respect to the shares of Stratos;

(v) redeem, purchase or offer to purchase or permit any Stratos Subsidiary to redeem, purchase or offer to purchase, any Stratos Shares or other securities of Stratos or any Stratos Subsidiary or, other than as required by the Stratos Option Plan, any options or obligations or rights under existing contracts, agreements and commitments;

(vi) reorganize, amalgamate or merge any Stratos Subsidiary with any other Person;

(vii) acquire or agree to acquire any corporation or other entity (or a material interest therein) or a material division of any corporation or other entity, or enter into any material new joint venture or partnership where Stratos or any Stratos Subsidiary acquires a material interest in such joint venture or partnership;

(viii) (A) satisfy or settle any claims or disputes which are individually in an amount in excess of \$1,000,000 (other than claims or disputes related to property damage or business interruption insurance that are satisfied or settled for no less than 50% of the amount of the outstanding claim or dispute); (B) relinquish or waive any contractual rights which are individually in an amount in excess of \$1,000,000; or (C) enter into any interest rate, currency swaps, hedges, caps, collars, forward sales or other similar financial instruments other than in the ordinary course of business;

(ix) incur, authorize, agree or otherwise become committed to provide guarantees for borrowed money or incur, authorize, agree or otherwise become committed for any indebtedness in excess of \$3,000,000 in the aggregate, or permit any Stratos Subsidiary to incur, authorize, agree or otherwise become committed to provide guarantees for borrowed money or incur, authorize, agree or otherwise become committed for any indebtedness in excess of \$3,000,000, other than in respect of Stratos or another Stratos Subsidiary;

(x) enter into contracts or arrangements involving capital expenditures or liabilities affecting the business of Stratos and any Stratos Subsidiary in an amount in excess of the sum of (i) 5.5% of the gross revenues of Stratos and the Stratos Subsidiaries, on a consolidated basis, for the fiscal year ended December 31, 2007, as set forth in Stratos's budget for fiscal 2007 provided to CIP, and (ii) \$5,000,000;

(xi) except as required by Canadian GAAP, any other generally accepted accounting principle to which any Stratos Subsidiary may be subject or any applicable Laws, make any changes to the existing accounting practices of Stratos or any Stratos Subsidiary or make any material tax election inconsistent with past practice; or

(xii) agree or commit to do any of the foregoing.

(k) Satisfaction of Conditions. Stratos shall use all commercially reasonable efforts to satisfy, or cause to be satisfied, all of the conditions precedent to its obligations to the extent that it is within its control to do so and to take, or cause to be taken, all other action and to do, or cause to be done, all other commercially reasonable things necessary, proper or advisable under all applicable Laws to complete the transactions contemplated by this Agreement, including:

(i) using its commercially reasonable efforts to obtain the Stratos Required Vote;

(ii) using its commercially reasonable efforts to obtain the Regulatory Approvals to be obtained by it prior to the Effective Date, and all other consents,

approvals and authorizations as are required to be obtained by Stratos or any Stratos Subsidiary under any applicable Laws or from any Governmental Entity which would, if not obtained, reasonably be expected to impede, interfere with, prevent or materially delay the Arrangement and the transactions contemplated hereby or have a Material Adverse Effect on Stratos;

(iii) using its commercially reasonable efforts to effect all necessary registrations and filings with Governmental Entities, and submissions of information requested by Governmental Entities required to be effected by Stratos or any Stratos Subsidiary in connection with the transactions contemplated by this Agreement and participate, and if requested appear, in any proceedings of any Party hereto before any Governmental Entity;

(iv) using its commercially reasonable efforts to oppose, lift or rescind any injunction or restraining order or other order or action challenging or affecting this Agreement, the Arrangement or the transactions contemplated hereby or seeking to stop, or otherwise adversely affecting the ability of the Parties hereto to consummate the Arrangement or the transactions contemplated hereby, including for greater certainty any Prohibition Order;

(v) using its commercially reasonable efforts to fulfil all conditions and satisfy all provisions of this Agreement required to be fulfilled or satisfied by Stratos; and

(vi) cooperating with CIP in connection with the performance by CIP of its obligations hereunder, provided however that the foregoing shall not be construed to obligate Stratos or any Stratos Subsidiary to pay or cause to be paid any monies or to cause any liability to be incurred to cause such performance to occur.

(l) Certain Actions. Stratos shall:

(i) not take any action, refrain from taking any action (subject to commercially reasonable efforts), or permit any action to be taken or not taken, inconsistent with the provisions of this Agreement or which would render, or that could reasonably be expected to render, any representation or warranty made by Stratos in this Agreement untrue or inaccurate at any time prior to the Effective Time if then made, or that would reasonably be expected to impede, interfere with, prevent or materially delay the Arrangement and the transactions contemplated hereby or which could have a Material Adverse Effect on Stratos, provided that where Stratos is required to take any such action or refrain from taking such action (subject to commercially reasonable efforts) as a result of this Agreement, it shall immediately notify CIP Limited and CIP Acquireco in writing of such circumstances; and

(ii) promptly notify CIP Limited and CIP Acquireco of (A) any Material Adverse Change or Material Adverse Effect, or any change, event, occurrence or state of facts which could reasonably be expected to become a Material Adverse Change in respect of or to have a Material Adverse Effect on, Stratos, (B) any material Governmental Entity or third person complaints, investigations or hearings (or

communications indicating that the same may be contemplated) arising out of, in connection with, or related to, the Arrangement, this Agreement or any of the transactions contemplated herein, (C) any breach by Stratos of any covenant or agreement contained in this Agreement, (D) any event occurring subsequent to the date hereof that would render any representation or warranty of Stratos contained in this Agreement, if made on or as of the date of such event or the Effective Date, to be untrue or inaccurate in any material respect, and (E) any misrepresentation in the Stratos Circular or any circumstance pursuant to which Stratos would have to amend or supplement the Stratos Circular.

(m) Employment Arrangements. From the date hereof until the earlier of the Effective Time or the termination of this Agreement in accordance with its terms, without the prior written consent of CIP, Stratos shall not, and shall cause the Stratos Subsidiaries not to, other than in the ordinary course of business consistent with past practice (other than in respect of the five most highly compensated Employees in 2006), as disclosed in the Stratos Disclosure Letter, in connection with ongoing integration and cost-cutting measures, or as required by existing employment agreements, termination, compensation or other arrangements or policies or as required by any Employee Plans or as required by applicable Laws, enter into or modify any material employment, compensation, severance, collective bargaining or similar agreement, pension, retirement or employee benefits plan, agreement, policy or arrangement with, or grant any material bonus, salary increase, pension or supplemental pension benefit, profit sharing, tax equalization payment, retirement allowance, deferred compensation, incentive compensation, severance, change of control or termination pay to, or make any loan to, any Employee, officer or director of Stratos or any Stratos Subsidiary.

(n) Insurance. From the date hereof until the earlier of the Effective Time or the termination of this Agreement in accordance with its terms, Stratos shall use its reasonable commercial efforts, and shall cause the Stratos Subsidiaries to use their reasonable commercial efforts, to cause their respective current insurance (or reinsurance) policies not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance and reinsurance companies of internationally recognized standing providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect.

(o) No Compromise. Stratos shall not, and shall cause the Stratos Subsidiaries not to, settle or compromise any claim brought by any present, former or purported holder of any securities of Stratos in connection with the transactions contemplated by this Agreement prior to the Effective Time without the prior written consent of CIP, such consent not to be unreasonably withheld or delayed.

(p) Contractual Obligations. From the date hereof until the earlier of the Effective Time or the termination of this Agreement in accordance with its terms, except in the ordinary and regular course of business and consistent with past practice or as contemplated by this Agreement, and other than as required by applicable Laws, Stratos shall not, and shall cause each Stratos Subsidiary not to, enter into, renew or modify in any respect, or relinquish or waive any rights under, any material contract, agreement, lease, commitment or arrangement to which

Stratos or any Stratos Subsidiary is a party or by which any of them is bound, including for greater certainty the indenture governing the Stratos Bonds or any of the terms of the Stratos Credit Facility, except insofar as may be necessary to permit or provide for the completion of the Arrangement and the transactions contemplated hereby.

(q) Stock Exchange Listing and De-listing. Stratos shall use reasonable commercial efforts to take, or cause to be taken, all actions, and do or cause to be done all things, reasonably necessary, proper or advisable on its part under applicable Laws and rules and policies of the TSX to enable the delisting by Stratos of the Stratos Shares from the TSX after the Effective Date.

(r) Stratos Rights Plan. Prior to the earlier of (i) the Effective Time and (ii) the termination of this Agreement in accordance with Section 8.1, Stratos shall not terminate, waive any provision of, exempt any Person from, or amend the terms of, the Stratos Rights Plan, or redeem the Rights (as defined in the Stratos Rights Plan) except as provided herein. In the event any Person requests that the applicable Securities Authorities invalidate the Stratos Rights Plan, Stratos shall oppose any such application.

(s) Information. From the date hereof until the earlier of the Effective Time or the termination of this Agreement in accordance with its terms, Stratos shall, and shall cause the Stratos Subsidiaries to, make available to CIP and its agents and advisors all documents, agreements, corporate records and minute books to the extent reasonably necessary for CIP to complete the Arrangement and the transactions contemplated herein, including making available on a monthly basis financial reports prepared by Stratos and the Stratos Subsidiaries in the ordinary course of business. Subject to applicable Laws (including privacy Laws), from the date hereof until the earlier of the Effective Time or the termination of this Agreement, upon reasonable notice, Stratos shall, and shall cause the Stratos Subsidiaries to, provide CIP and its officers, employees, counsel, accountants and other authorized representatives and advisors reasonable access, during normal business hours, to the properties, books, contracts, records and the senior management personnel of Stratos and any Stratos Subsidiary and, during such period, Stratos shall, and shall cause the Stratos Subsidiaries to, furnish as promptly as practicable to CIP any information concerning the business, properties and personnel of Stratos and any Stratos Subsidiary as CIP may reasonably request.

(t) Objections. Stratos shall promptly provide CIP Limited and CIP Acquireco with written notice of any complaint, challenge, objection, notice of proceeding, action or claim (an “**Objection**”) from any Person (including any Governmental Entity) received by Stratos in respect of or in connection with the transactions contemplated herein (including Stratos’s role in connection with such transactions), which notice shall include a copy of any such written Objection. Stratos agrees to take all actions to vigorously oppose, defend and resist any Objection in order to permit and allow completion of the Arrangement as contemplated by the Arrangement Agreement. Stratos will promptly provide CIP Limited and CIP Acquireco with details (in writing) of any proposal by it to oppose, resolve or settle any Objection prior to the delivery or implementation by Stratos of such proposal. Stratos shall not settle, resolve, agree to dismiss, or take any similar action with respect to a Objection without obtaining CIP Limited’s and CIP Acquireco’s prior consent and approval to any such settlement, resolution or dismissal, unless such settlement, resolution, agreement to dismiss or similar action provides that the

Arrangement and the other transactions contemplated herein shall be consummated as soon as practicable thereafter. For greater certainty, an objection shall not include any notice or matter relating to the Regulatory Approvals.

(u) Stratos Credit Facility. As soon as practicable following the date hereof and continuing at least until the date that is 30 days prior to the date scheduled for the Stratos Meeting in the Interim Order, unless consent is obtained sooner, Stratos shall use all commercially reasonable efforts to obtain, at its own cost, either (i) any necessary consent of the lenders under the Stratos Credit Facility to the Arrangement and the other transactions contemplated herein to permit the Stratos Credit Facility to remain in place following the Effective Date or (ii) a commitment letter providing for the refinancing of the Stratos Credit Facility on the Effective Date. Stratos covenants that it shall keep CIP regularly informed of its efforts to obtain such consents or commitment letter, as applicable, and its progress with respect thereto, and shall give reasonable consideration to CIP's requests in connection with obtaining such consents or commitment letter, as applicable (provided, that in no event shall Stratos be required to seek any material amendments to the terms and conditions of the Stratos Credit Facility in connection therewith). For greater certainty, and notwithstanding any other provision of this Agreement, in no event shall Stratos agree to or request any amendments to the Stratos Credit Facility and in no event shall the terms of any refinancing of the Stratos Credit Facility negotiated by Stratos pursuant to clause (ii) hereof be on terms materially different than those of the Stratos Credit Facility, in each case without the prior consent of CIP, such consent not to be unreasonably withheld or delayed. CIP agrees that, upon the earlier of the date this Agreement is terminated in accordance with its terms and the Effective Date, CIP Acquireco shall pay Stratos all reasonable and customary fees and expenses incurred by Stratos in connection with obtaining any consents or arranging any commitment letter in accordance with this Section 5.1(u).

(v) Management Incentive Program. Prior to the Effective Date, Stratos shall, subject to the prior written consent of CIP (which consent shall not be unreasonably withheld or delayed), amend the Plan of Arrangement to include the terms of a management incentive program applicable to the senior management of Stratos, such program to become effective immediately upon the Effective Date.

(w) Cooperation. Stratos shall make, or cooperate as necessary in the making of, all necessary filings and applications under all applicable Laws required in connection with the transactions contemplated hereby and take all reasonable action necessary to be in compliance with such Laws.

(x) Closing Documents. Stratos shall execute and deliver, or cause to be executed and delivered, at the closing of the Arrangement and the transactions contemplated hereby such customary agreements, certificates, resolutions, opinions and other closing documents as may be reasonably requested by CIP.

(y) Completion Deadline. Stratos shall use its reasonable commercial efforts to complete the transactions contemplated hereby by the Completion Deadline.

5.2 Covenants of CIP Limited and CIP Acquireco

Each of CIP Limited and CIP Acquireco hereby covenants and agrees (as applicable) with Stratos as follows:

(a) Information for Stratos Circular. Each of CIP Limited and CIP Acquireco shall in a timely and expeditious manner furnish to Stratos all information concerning the CIP Group as may be required or reasonably requested by Stratos for the preparation of the Stratos Circular (and any amendments or supplements thereto) and hereby covenants that no information furnished by CIP Limited and CIP Acquireco, respectively, in connection therewith will contain any untrue statement of a material fact or omit to state a material fact required to be stated in the Stratos Circular in order to make any information so furnished not misleading in light of the circumstances in which it is furnished.

(b) Proceedings. In a timely and expeditious manner, each of CIP Limited and CIP Acquireco shall take all such actions and do all such acts and things as are contemplated hereby or as are specified in the Interim Order, the Plan of Arrangement and the Final Order to be taken or done by CIP Limited and CIP Acquireco, as applicable (including depositing or causing to be deposited with the Depository the aggregate Cash Consideration and, if applicable, with Stratos the Option Consideration deliverable by CIP Acquireco under the Plan of Arrangement in accordance with the Plan of Arrangement).

(c) Copy of Documents. Except for non-substantive communications, each of CIP Limited and CIP Acquireco shall furnish promptly to Stratos a copy of each notice, report, schedule or other document or communication delivered, filed or received by any member of the CIP Group in connection with the Arrangement and the transactions contemplated hereby, any filing under any applicable Laws and any dealings or communications with any Governmental Entity, Securities Authority or stock exchange in connection with, or in any way affecting, the transactions contemplated by this Agreement.

(d) Satisfaction of Conditions. Each of CIP Limited and CIP Acquireco shall use all commercially reasonable efforts to satisfy, or cause to be satisfied, all of the conditions precedent to its obligations to the extent that it is within its control to do so and to take, or cause to be taken, all other action and to do, or cause to be done, all other commercially reasonable things necessary, proper or advisable under all applicable Laws to complete the transactions contemplated by this Agreement, including:

(i) using its commercially reasonable efforts to obtain the Regulatory Approvals to be obtained by them prior to the Effective Date, and all other consents, approvals and authorizations as are required to be obtained by any member of the CIP Group under any applicable Laws or from any Governmental Entity that would, if not obtained, reasonably be expected to impede, interfere with, prevent or materially delay the Arrangement and the transactions contemplated hereby;

(ii) using its commercially reasonable efforts to effect all necessary registrations and filings with Governmental Entities, and submissions of information requested by Governmental Entities required to be effected by the CIP Group in

connection with the transactions contemplated by this Agreement and participate, and if requested appear, in any proceedings of any Party hereto before any Governmental Entity;

(iii) using its commercially reasonable efforts to oppose, lift or rescind any injunction or restraining order or other order or action challenging or affecting this Agreement, the Arrangement or the transactions contemplated hereby or seeking to stop, or otherwise adversely affecting the ability of the Parties hereto to consummate the Arrangement or the transactions contemplated hereby, including for greater certainty any Prohibition Order;

(iv) using its commercially reasonable efforts to fulfil all conditions and satisfy all provisions of this Agreement required to be fulfilled or satisfied by it; and

(v) cooperating with Stratos in connection with the performance by Stratos of its obligations hereunder, provided however that the foregoing shall not be construed to obligate CIP to pay or cause to be paid any monies or to cause any liability to be incurred to cause such performance to occur.

(e) Certain Actions. Each of CIP Limited and CIP Acquireco shall:

(i) not take any action, refrain from taking any action (subject to commercially reasonable efforts), or permit any action to be taken or not taken, inconsistent with the provisions of this Agreement or which would render, or that could reasonably be expected to render, any representation or warranty made by CIP Limited or CIP Acquireco in this Agreement untrue or inaccurate at any time prior to the Effective Time if then made or that would reasonably be expected to impede, interfere with, prevent or materially delay the Arrangement and the transactions contemplated hereby, provided that where either CIP Limited or CIP Acquireco is required to take any such action or refrain from taking such action (subject to commercially reasonable efforts) as a result of this Agreement, it shall immediately notify Stratos in writing of such circumstances; and

(ii) promptly notify Stratos of (A) any material adverse change or material adverse effect on the CIP Group, or any change, event, occurrence or state of facts that would reasonably be expected to impede, interfere with, prevent or materially delay the Arrangement and the transactions contemplated hereby, (B) any material Governmental Entity or third person complaints, investigations or hearings (or communications indicating that the same may be contemplated) arising out of, in connection with, or related to, the Arrangement, this Agreement or any of the transactions contemplated herein, (C) any breach by CIP Limited or CIP Acquireco of any covenant or agreement contained in this Agreement, and (D) any event occurring subsequent to the date hereof that would render any representation or warranty of CIP Limited or CIP Acquireco contained in this Agreement, if made on or as of the date of such event or the Effective Date, to be untrue or inaccurate in any material respect, and (E) any misrepresentation in the Stratos Circular or any circumstance pursuant to which Stratos would have to amend

or supplement the Stratos Circular to the extent related to information provided by CIP pursuant to Section 5.2(a).

(f) Employment, Indemnification and Insurance. CIP covenants and agrees that Stratos may purchase customary run off directors' and officers' liability insurance for a period of up to six years from the Effective Time.

(g) Trust Arrangements. CIP agrees that (i) it will enter into the Trust Agreement as soon as possible following the date hereof and (ii) concurrent with or immediately following the Effective Date, it will implement the Trust Arrangements contemplated by the Trust Agreement.

(h) Stratos Options. CIP acknowledges and agrees that the vesting period in respect of all Stratos Options shall be accelerated so that the Stratos Options shall vest at the time the Shareholders provide the Stratos Required Vote.

(i) Facility Agreement. CIP will use commercially reasonable efforts to enter into the Facility Agreement no later than one Business Day prior to the Stratos Meeting. Provided that the Facility Agreement has been entered into, CIP will request an advance under the Facility Agreement, on the terms and subject to the conditions set forth therein, in order to fund the payment of the aggregate Cash Consideration and Option Consideration, if any, on the Effective Date.

(j) Repurchase of Stratos Bonds.

(i) CIP acknowledges and agrees that, if Stratos complies with its obligations under Section 5.1(u) and any necessary consent or the commitment letter for the refinancing of the Stratos Credit Facility as contemplated by Section 5.1(u) is not obtained, then Stratos may, in its sole discretion, arrange for the financing of a mandatory tender offer for the Stratos Bonds following the Effective Date, including obtaining a backstop commitment letter for such financing, provided that in the event that Stratos elects to do so, Stratos covenants that it shall (A) keep CIP regularly informed of its efforts to obtain such commitment letter and its progress with respect thereto, (B) give reasonable consideration to CIP's requests in connection with obtaining such commitment letter, and (C) use all commercially reasonable efforts to obtain the best financial terms reasonably obtainable for such financing.

(ii) CIP acknowledges and agrees that (A) Stratos, in its sole discretion, may commence negotiations on the commitment letter referred to in clause (i) as soon as practicable after the date hereof (provided that it will not execute any such commitment letter prior to 30 days before the Stratos Meeting), and (B) provided that Stratos has complied with its obligations under clause (i), upon the earlier of the date this Agreement is terminated in accordance with its terms and the Effective Date, CIP Acquireco shall pay Stratos all reasonable and customary fees and expenses incurred by Stratos in connection with the arrangement of a commitment letter contemplated by this Section 5.2(j).

(iii) CIP acknowledges and agrees that, unless CIP notifies Stratos that CIP, in its sole discretion, will offer to repurchase the Stratos Bonds in accordance with the

indenture governing the Stratos Bonds, as soon as possible after the Effective Date and in no event later than 30 days thereafter, Stratos shall offer to repurchase all outstanding Stratos Bonds as required pursuant to the terms of the Stratos Bonds, such offer to be made in accordance with the indenture governing the Stratos Bonds.

(iv) If Stratos makes an offer to repurchase the Stratos Bonds as contemplated by this Section 5.2(j), then, no later than two Business Days prior to the date of such offer, CIP Limited, in its discretion, may notify Stratos that it will request an advance under the Facility Agreement, on the terms and subject to the conditions set forth therein, in an amount no less than the aggregate purchase price for all Stratos Bonds tendered under such offer, in which case upon receipt thereof CIP Limited and CIP Acquireco agree that CIP Limited or CIP Acquireco will advance such funds to Stratos on terms to be mutually agreed by the Parties, acting reasonably.

(k) Objections. CIP shall promptly provide Stratos with written notice of Objection from any Person (including any Governmental Entity) received by any member of the CIP Group in respect of or in connection with the transactions contemplated herein (including such member's role in connection with such transactions), which notice shall include a copy of any such written Objection. CIP agrees to take, and to cause each other member of the CIP Group to take, all actions to vigorously oppose, defend and resist any Objection in order to permit and allow completion of the Arrangement as contemplated by the Arrangement Agreement. CIP will promptly provide Stratos with details (in writing) of any proposal by it to oppose, resolve or settle any Objection prior to the delivery or implementation by any member of the CIP Group of such proposal. No member of the CIP Group shall settle, resolve, agree to dismiss, or take any similar action with respect to a Objection without obtaining Stratos's prior consent and approval to any such settlement, resolution or dismissal, unless such settlement, resolution, agreement to dismiss or similar action provides that the Arrangement and the other transactions contemplated herein shall be consummated as soon as practicable thereafter. For greater certainty, an objection shall not include any notice or matter relating to the Regulatory Approvals.

(l) No Acquisition of Stratos Shares. Without the prior written consent of Stratos, such consent not to be unreasonably withheld or delayed, no member of the CIP Group shall acquire any Stratos Shares subsequent to the date hereof, except for the acquisition of Stratos Shares by CIP Acquireco in accordance with and as contemplated by this Agreement; provided, CIP hereby agrees that any Stratos Shares acquired in accordance with this Section 5.2(l) shall be deposited with the Trustee in accordance with the Trust Agreement immediately following the consummation of the Arrangement.

(m) Refinancing of Stratos Credit Facility. Provided that Stratos has complied with its obligations under Section 5.1(u) and no consent or commitment letter as contemplated thereunder is obtained, and provided that the Facility Agreement has been executed by the parties thereto, then CIP Limited agrees that, on the Effective Date, CIP Limited shall request an advance under the Facility Agreement, on the terms and subject to the conditions set forth therein, in which case upon receipt thereof, CIP Limited and CIP Acquireco further agree that CIP Limited or CIP Acquireco will advance such funds to Stratos on terms to be mutually agreed by the Parties, acting reasonably.

(n) Cooperation. Each of CIP Limited and CIP Acquireco shall make, or cooperate as necessary in the making of, all necessary filings and applications under all applicable Laws required in connection with the transactions contemplated hereby and take all reasonable action necessary to be in compliance with such Laws.

(o) Closing Documents. Each of CIP Limited and CIP Acquireco shall execute and deliver, or cause to be executed and delivered at the closing of the Arrangement and the transactions contemplated hereby such customary agreements, certificates, opinions, resolutions and other closing documents as may be reasonably requested by Stratos.

(p) Completion Deadline. CIP shall use its reasonable commercial efforts to complete the transactions contemplated hereby by the Completion Deadline.

ARTICLE VI CONDITIONS

6.1 Mutual Conditions

The obligations of CIP Limited, CIP Acquireco and Stratos to complete the transactions contemplated hereby are subject to fulfilment of the following conditions on or before the Effective Date or such other time prior thereto as is specified below:

(a) the Interim Order shall have been granted in form and substance satisfactory to the Parties hereto, acting reasonably, and shall not have been set aside or modified in a manner unacceptable to the Parties hereto, acting reasonably, on appeal or otherwise;

(b) the Stratos Required Vote shall have been obtained at the Stratos Meeting;

(c) the Final Order shall have been granted in form and substance satisfactory to the Parties hereto, acting reasonably, and shall not have been set aside or modified in a manner unacceptable to such Parties, acting reasonably, on appeal or otherwise;

(d) the Articles of Arrangement shall be in form and substance satisfactory to the Parties hereto, acting reasonably;

(e) there shall not be in force any Prohibition Order or any Laws, ruling, order or decree issued by any Governmental Entity of competent jurisdiction that restrains, enjoins or prohibits the consummation of the Arrangement and the transactions contemplated herein in accordance with the terms hereof, other than such Laws, rulings, orders or decrees that, in the opinion of CIP, acting reasonably, the breach thereof would not impair the ability of CIP to consummate the Arrangement or of Stratos and its Subsidiaries to carry on their business following the Effective Date in a manner substantially similar to the manner carried on prior to the Effective Date;

(f) the Regulatory Approvals (as set forth on Schedule 6.1(f)) shall have been obtained or received on terms that are reasonably satisfactory to CIP, except where the failure to obtain such Regulatory Approvals would not reasonably be expected to impede, interfere with,

prevent or materially delay the completion of the Arrangement and the transactions contemplated hereby or have a Material Adverse Effect on Stratos; and

- (g) this Agreement shall not have been terminated pursuant to the terms hereof.

The foregoing conditions are for the mutual benefit of the Parties hereto and may be waived in respect of a Party hereto, in whole or in part, by such Party hereto in writing at any time.

6.2 Additional Conditions Precedent to the Obligations of CIP

Subject to Section 6.5, the obligation of CIP to complete the transactions contemplated hereby shall be subject to the satisfaction of the following conditions:

(a) the representations and warranties made by Stratos in this Agreement which are qualified by the expression “Material Adverse Change” or “Material Adverse Effect” or as to materiality shall be true and correct as of the Effective Date as if made on and as of such date (except to the extent that such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be true and correct as of such earlier date), and all other representations and warranties made by Stratos in this Agreement which are not so qualified shall be true and correct in all material respects as of the Effective Date as if made on and as of such date (except to the extent that such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be true and correct as of such earlier date), in either case, except where any failures or breaches of representations and warranties would not either individually or in the aggregate, in the reasonable judgment of CIP, have a Material Adverse Effect on Stratos, and Stratos shall have provided to CIP a certificate of two officers thereof certifying such accuracy or lack of Material Adverse Effect on the Effective Date;

(b) from the date hereof to the Effective Date, there shall not have occurred, and neither Stratos nor any Stratos Subsidiary shall have incurred or suffered, a Material Adverse Change or any one or more changes, effects, events, occurrences or states of facts that, either individually or in the aggregate, have a Material Adverse Effect on Stratos (it being understood that the failure of Stratos to obtain any necessary consent or commitment letter contemplated by Section 5.1(u), or an event of default under the Stratos Credit Facility resulting from the consummation of the Arrangement or the other transactions contemplated herein, shall not constitute a Material Adverse Effect if Stratos has complied with its obligations in Section 5.1(u) in all material respects);

(c) all third person and other consents, waivers, permits, exemptions, orders, approvals, agreements, amendments and modifications to agreements, indentures or arrangements in connection with, or required to permit, the completion of the Arrangement and the transactions contemplated by this Agreement shall have been obtained or received on terms that are reasonably satisfactory to CIP, except where the failure to obtain such consents, waivers, permits, exemptions, orders, approvals, agreements, amendments or modifications would not, either individually or in the aggregate, have a Material Adverse Effect on Stratos or reasonably

be expected to impede, interfere with, prevent or materially delay the Arrangement and the transactions contemplated hereby;

(d) Stratos Shareholders holding no more than 20% of the outstanding Stratos Shares shall have exercised dissent rights in connection with the Arrangement;

(e) Stratos shall have complied in all material respects with its covenants in this Agreement and Stratos shall have provided to CIP a certificate of two officers thereof certifying that, as of the Effective Date, Stratos has so complied with its covenants in this Agreement; and

(f) the directors of Stratos and each Stratos Subsidiary shall have adopted all necessary resolutions and all other necessary corporate action shall have been taken by Stratos and the Stratos Subsidiaries to permit the consummation of the Arrangement and the transactions contemplated hereby.

The foregoing conditions are for the benefit of CIP and may be waived, in whole or in part, by CIP in writing at any time.

6.3 Additional Conditions Precedent to the Obligations of Stratos

Subject to Section 6.5, the obligations of Stratos to complete the transactions contemplated hereby shall be subject to the satisfaction of the following conditions:

(a) the representations and warranties made by CIP Limited in this Agreement shall be true and correct as of the Effective Date as if made on and as of such date (except to the extent that such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be true and correct as of such earlier date), except where any failures or breaches of representations and warranties would not reasonably be expected to impede, interfere with, prevent or materially delay the Arrangement and the other transactions contemplated in this Agreement, and CIP Limited shall have provided to Stratos a certificate of two officers thereof certifying such accuracy or lack of obstruction to completion on the Effective Date;

(b) each of CIP Limited and CIP Acquireco shall have complied in all material respects with its covenants in this Agreement and each of CIP Limited and CIP Acquireco shall have provided to Stratos a certificate of two officers thereof, certifying that, as of the Effective Date, it has so complied with its covenants in this Agreement;

(c) the directors of each of CIP Parent, CIP Limited and CIP Acquireco shall have adopted all necessary resolutions and all other necessary corporate action shall have been taken by each of CIP Parent, CIP Limited and CIP Acquireco to permit the consummation of the Arrangement and the transactions contemplated hereby;

(d) the Facility Agreement and the Trust Agreement shall have been duly executed and delivered by each of the parties thereto and shall be in full force;

(e) the Call Option Agreement shall be in full force, unamended from the form of such agreement executed as of the date hereof, except for such amendments consented to in writing by Stratos, acting reasonably; and

(f) CIP shall have caused, or shall have made arrangements to cause, the Cash Consideration payable to holders of Stratos Shares to be deposited on its behalf and, if applicable, the Option Consideration payable to holders of Stratos Options to be deposited on behalf of Stratos with the Depositary not later than immediately prior to the closing of Arrangement.

The foregoing conditions are for the benefit of Stratos and may be waived, in whole or in part, by Stratos in writing at any time.

6.4 Merger of Conditions

The conditions set out in Sections 6.1, 6.2 and 6.3 shall be conclusively deemed to have been satisfied, waived or released upon the filing of the Articles of Arrangement as contemplated by this Agreement.

6.5 Notice and Cure Provisions

Each of CIP Limited and CIP Acquireco, acting jointly, and Stratos shall give prompt notice to the other Party or Parties of the occurrence, or failure to occur, at any time from the date hereof until the Effective Time, of any event or state of facts which occurrence or failure would, would be likely to or could:

(a) cause any of the representations or warranties of such Party hereto contained herein to be untrue or inaccurate in any respect on the date hereof or on the Effective Time;

(b) result in the failure to comply with or satisfy any covenant or agreement to be complied with or satisfied by such Party hereto prior to the Effective Time; or

(c) result in the failure to satisfy any of the conditions precedent in favour of the other Party's favour contained in Sections 6.1, 6.2 or 6.3, as the case may be.

No Party may elect not to complete the Arrangement by reason of failure to satisfy the conditions precedent for the benefit of such Party contained in Section 6.1, Section 6.2 or Section 6.3, as applicable, or exercise any termination right in Section 8.1(h), (i) or (j) arising therefrom, unless, prior to the Effective Date, the Party intending to rely thereon has delivered a written notice to the other Parties specifying in reasonable detail the breaches of covenants or untruthfulness or inaccuracy of representations and warranties or other matters which the Party delivering such notice is asserting as the basis for the non-fulfilment of the applicable condition precedent or the exercise of the termination right, as the case may be. If any such notice is delivered, provided that the other applicable Parties are proceeding diligently to cure such matter, and if such matter is susceptible to being cured, the other Parties may not terminate this Agreement until the earlier of the expiration of a period of 15 days from such notice and three Business Days prior to the Completion Deadline. If such notice has been delivered prior to the

date of the Stratos Meeting, the Stratos Meeting shall be adjourned or postponed until the expiry of such period.

ARTICLE VII NON-SOLICITATION AND TERMINATION FEE

7.1 No Solicitation

(a) Stratos shall, and shall direct and cause its officers, directors and employees and its Subsidiaries and their officers, directors and employees and any financial advisors or other advisors or representatives retained by it to immediately cease and cause to be terminated any solicitation, encouragement, activity, discussion or negotiation with any parties (other than CIP) that may be ongoing with respect to an Acquisition Proposal whether or not initiated by Stratos and in connection therewith, Stratos shall request (and exercise all rights it has to require) the return of all confidential information regarding Stratos and its Subsidiaries previously provided to such parties and shall request (and exercise all rights it has to require) the destruction of all materials including or incorporating any confidential information regarding Stratos and its Subsidiaries. Stratos agrees not to release, without the consent of CIP, any Person from any confidentiality or standstill agreement to which Stratos and such Person is a party or exercise any consent rights with respect to or waive any of the provisions of any such agreement.

(b) During the period commencing on the date hereof and continuing until the Termination Date, Stratos agrees that neither it nor its affiliates, advisors, officers, directors, employees, agents or other representatives (including any Person, directly or indirectly, through one or more intermediaries, controlled by or under common control with Stratos) will, directly or indirectly, (i) solicit or otherwise facilitate (including by way of furnishing information), initiate, encourage, engage in or respond to any inquiries or proposals regarding an Acquisition Proposal, (ii) encourage or participate in any discussions or negotiations regarding any Acquisition Proposal, (iii) agree to, approve or recommend an Acquisition Proposal, (iv) withdraw, modify, qualify or change, or propose publicly or publicly state that it intends to withdraw, modify, qualify or change, in any manner adverse to CIP Limited or CIP Acquireco, the approval or recommendation of the Stratos Board of Directors or any committee thereof of this Agreement or the Arrangement Resolution (it being understood that the failure of the Stratos Board of Directors to affirm such approval or recommendation after an Acquisition Proposal has been publicly announced, following a request by CIP, shall be deemed a modification of such approval or recommendation that is adverse to CIP Limited and CIP Acquireco), (v) approve or recommend, or remain neutral with respect to, or propose publicly to approve or recommend, or to remain neutral with respect to, any Acquisition Proposal, or (vi) enter into any agreement, arrangement or understanding related to an Acquisition Proposal or requiring Stratos to abandon, terminate or fail to consummate the Arrangement or providing for the payment of any break, termination or other fees or expenses to any Person in the event that the Arrangement is consummated in accordance with the terms of this Agreement (as it may be amended pursuant to Section 7.2(iv)); provided, however, that subject as hereinafter provided, nothing shall prevent Stratos, during the period commencing on the date hereof and ending on date upon which the Stratos Shareholders approve the Arrangement Resolution, from furnishing non-public information to, or entering into a confidentiality agreement and/or participating in discussions or negotiations with, any Person in response to an unsolicited Acquisition Proposal that did not

result from a breach of this Section 7.1, which is not withdrawn if (A) the directors of Stratos conclude in good faith, based on information then available and after consultation with Stratos's financial advisors and outside legal counsel that such Acquisition Proposal constitutes a Superior Proposal or could reasonably be expected to result in a Superior Proposal, and (B) prior to providing any non-public information to such Person in connection with such Acquisition Proposal, the Stratos Board of Directors receives from such Person an executed confidentiality agreement substantially similar to the Confidentiality Agreement and Stratos sends a copy of any such confidentiality agreement to CIP promptly upon its execution and promptly provides CIP a list of, or in the case of information that was not previously made available to CIP Limited and CIP Acquireco, copies of, any information provided to such Person.

(c) From and after the date hereof, Stratos shall promptly (and in any event within 24 hours) notify CIP, first orally and then in writing, of any inquiries, proposals or offers relating to or constituting an Acquisition Proposal which any director, senior officer or agent thereof is or becomes aware of, any amendment to any such proposal or any request for non-public information relating to Stratos or any Stratos Subsidiary. Such notice shall include a description of the terms and conditions of any such inquiry, proposal or offer and the identity of the Person making such inquiry, proposal or offer and such other details of the inquiry, proposal or offer as CIP may reasonably request. Stratos shall keep CIP fully informed on a prompt basis of the status, including any change to the terms, of any such inquiry, proposal or offer.

(d) Stratos shall ensure that its affiliates, advisors, officers, directors, employees, agents or other representatives (including any Person, directly or indirectly, through one or more intermediaries, controlled by or under common control with Stratos) are aware of the provisions of this Section 7.1, and it shall be responsible for any breach of this Section 7.1 by such affiliates, advisors, officers, directors, employees, agents or other representatives (including any Person, directly or indirectly, through one or more intermediaries, controlled by or under common control with Stratos).

7.2 Superior Proposals

(a) Provided Stratos has complied with Section 7.1, Stratos or the directors thereof may, from the date hereof until the date upon which the Stratos Shareholders approve the Arrangement Resolution, take any action that is prohibited by Sections 7.1(b)(iii), (iv), (v) and (vi) if:

(i) such Acquisition Proposal constitutes a Superior Proposal and does not provide for the payment of any break, termination or other fees or expenses to any Person in the event that the Arrangement is consummated in accordance with the terms of this Agreement (as it may be amended pursuant to Section 7.2(iv));

(ii) such Acquisition Proposal is in writing and CIP has been provided with a copy of the document containing such Superior Proposal;

(iii) five Business Days have elapsed from the later of: (x) the date on which CIP received written notice of the determination of Stratos or the directors thereof to

accept, approve or recommend or to enter into an agreement in respect of such Superior Proposal and (y) the date CIP receives a copy of such Superior Proposal;

(iv) in the event that CIP has proposed to amend this Agreement or other terms of the Arrangement during the five Business Day period referred to above (which CIP has the right but not the obligation to so do), the Stratos Board of Directors (after receiving advice from its financial advisors and outside legal counsel) has determined in good faith that the Acquisition Proposal continues to constitute a Superior Proposal after taking into account such amendments;

(v) Stratos's Board of Directors has determined in good faith, after consultation with its financial advisors and outside legal counsel, that taking such action is necessary in order to discharge the Board of Directors' fiduciary duties; and

(vi) Stratos has terminated this Agreement pursuant to Section 8.1(a) and Stratos has made the payment contemplated by, and in accordance with, Section 7.3(a).

(b) Stratos acknowledges that each successive modification to any Acquisition Proposal shall constitute a new Acquisition Proposal for purposes of the requirement under Section 7.2(a)(iii) and shall initiate a new five Business Day period.

(c) If the Stratos Circular has been sent to Shareholders prior to the expiry of the five Business Day period set forth in Section 7.2(a)(iii) and, during such period, CIP requests in writing that the Stratos Meeting proceed, unless otherwise ordered by the Court, Stratos shall continue to take all reasonable steps necessary to hold the Stratos Meeting and to cause the Arrangement to be voted on at the Stratos Meeting, or postpone or adjourn the Stratos Meeting at the Stratos Meeting (in each case, with CIP's consent) to a date acceptable to Stratos and CIP, acting reasonably, which shall not be later than 20 days after the scheduled date of the Stratos Meeting and shall, in the event that CIP and Stratos amend the terms of this Agreement pursuant to Section 7.2(a)(iv), ensure that the details of such amended Agreement are communicated to the Shareholders prior to the resumption of the adjourned Stratos Meeting.

(d) Where Stratos has provided CIP with a notice under Section 7.2(a)(ii) and the Stratos Meeting is scheduled to be held prior to the expiry of the five Business Day period under Section 7.2(a)(iii), then, subject to applicable Laws, at CIP's request, Stratos will postpone or adjourn the Stratos Meeting at or prior to the Stratos Meeting (the timing of such postponement or adjournment by Stratos to be specified in CIP's request) to a date acceptable to each of CIP Limited and CIP Acquireco, acting reasonably, which shall not be later than 20 days after the scheduled date of the Stratos Meeting and shall, in the event that CIP Limited, CIP Acquireco and Stratos amend the terms of this Agreement pursuant to Section 7.2(a)(iv), ensure that the details of such amended Agreement are communicated to the Shareholders prior to the resumption of the adjourned Stratos Meeting.

7.3 Termination Fee

If:

(a) Stratos terminates this Agreement in accordance with Section 8.1(a);

(b) the Board of Directors of Stratos shall have made a Change in Stratos Recommendation and CIP terminates this Agreement pursuant to Section 8.1(d);

(c) either CIP or Stratos terminates this Agreement pursuant to Section 8.1 (other than pursuant to (i) Section 8.1(e), (ii) Section 8.1(f), (iii) Section 8.1(g) (except where the Arrangement Resolution has not received the Stratos Required Vote and an Acquisition Proposal was publicly announced or otherwise communicated to Stratos and/or the Stratos Shareholders prior to such vote), or (iv) as a result of the failure to obtain the Regulatory Approvals where Stratos has otherwise complied with its obligations in respect thereof) and Stratos enters into an agreement with respect to an Acquisition Proposal, or an Acquisition Proposal is consummated, in each case prior to the date that is six months following termination of this Agreement; or

(d) CIP terminates this Agreement as a result of an intentional, wilful or deliberate breach of a covenant in Section 2.2, 2.3, 5.1(a), 5.1(b)(iv), 5.1(c), 5.1(f), 7.1 or 7.2 by Stratos or any of its affiliates, advisors, officers, directors, employees, agents or other representatives (including any Person, directly or indirectly, through one or more intermediaries, controlled by or under common control with Stratos),

then in any such event Stratos shall pay CIP Limited an amount in cash equal to \$8,000,000 in immediately available funds to an account designated by CIP Limited. Such payment shall be due: (i) in the case of a termination specified in clause (a) above, concurrently with such termination (and shall be a condition to the effectiveness of such termination by Stratos); (ii) in case of a termination specified in clause (b) or (d) above, within five Business Days after Stratos's receipt of written notice of termination from CIP; or (iii) in the case of a termination specified in clause (c) above, at or prior to the earlier of the entering into of the agreement and the consummation of the Acquisition Proposal. The obligation to make any payment required by this subsection shall survive any termination of this Agreement. Stratos hereby acknowledges that the payment amount set out in this subsection is a payment of liquidated damages which is a pre-estimate of the damages which CIP will suffer or incur as a result of the event giving rise to such damages and the resultant non-completion of the Arrangement and the transactions contemplated hereby and is not a penalty. Stratos hereby irrevocably waives any right it may have to raise as a defence that any such liquidated damages are excessive or punitive. Upon receipt of payment of such amount by CIP, in no event shall Stratos be required to pay the amount referred to in this Section 7.3 in connection with any other rights of termination that CIP may assert. Upon receipt of payment of such amount by CIP, neither CIP Limited or CIP Acquireco shall have any further claim against Stratos in respect of the failure to complete the transactions contemplated hereby; provided, however, that nothing contained in this Section 7.3 and no payment of an amount specified by this Section 7.3 shall relieve or have the effect of relieving a Party in any way from liability for damages incurred or suffered by a Party as a result of an intentional or wilful breach of this Agreement.

**ARTICLE VIII
TERMINATION AND AMENDMENT**

8.1 Termination by the Parties

(a) This Agreement may be terminated by Stratos in the circumstances contemplated by Section 7.2(a).

(b) This Agreement may be terminated by the written agreement of the Parties (notwithstanding any approval of the Arrangement by the Shareholders).

(c) This Agreement may be terminated by CIP Limited and CIP Acquireco, acting jointly, if there is an intentional, wilful or deliberate breach of a covenant in Section 2.2, 2.3, 5.1(a), 5.1(b)(iv), 5.1(c), 5.1(f), 7.1 or 7.2 by Stratos or any of its affiliates, advisors, officers, directors, employees, agents or other representatives.

(d) This Agreement may be terminated by CIP Limited and CIP Acquireco, acting jointly, if CIP Limited and CIP Acquireco are not in material breach of their respective obligations under this Agreement and if: (i) the Stratos Board of Directors shall have failed to recommend, or withdrawn, modified, qualified or changed in any manner adverse to CIP its approval or recommendation of the Arrangement or the Arrangement Resolution, or publicly proposed or publicly stated its intention to do so; (ii) the Stratos Board of Directors shall have failed to promptly publicly reconfirm such recommendation upon the request of CIP; (iii) the Stratos Board of Directors shall have approved or recommended an Acquisition Proposal or Stratos shall have entered into a written agreement in respect of an Acquisition Proposal (other than a confidentiality agreement permitted by Section 7.1(b)); or (iv) Stratos shall have publicly announced the intention to do any of the foregoing (each of clauses (i), (ii), (iii) and (iv) above, a “**Change in Stratos Recommendation**”).

(e) This Agreement may be terminated by any of CIP Limited and CIP Acquireco, acting jointly, or Stratos if a Prohibition Order is in force, provided that the Party seeking termination of this Agreement is not in material breach of its obligations under this Agreement.

(f) This Agreement may be terminated by Stratos if Inmarsat materially breaches any of its representations, warranties, covenants or agreements contained in the letter agreement, dated as of the date hereof, between Stratos and Inmarsat.

(g) This Agreement may be terminated by any of CIP Limited and CIP Acquireco, acting jointly, or Stratos if at the Stratos Meeting, the Arrangement Resolution does not receive the Stratos Required Vote.

(h) If any conditions set forth in Section 6.1 shall not be complied with or waived as aforesaid on or before the Completion Deadline or, if earlier, the date required for the satisfaction thereof, or become incapable of being satisfied prior to then, then CIP Limited and CIP Acquireco, acting jointly, or Stratos may terminate this Agreement by written notice to the other Party or Parties hereto in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Agreement by such terminating Party or Parties hereto.

(i) If any conditions set forth in Section 6.2 shall not be complied with or waived by CIP on or before the Completion Deadline or, if earlier, the date required for the satisfaction thereof, or become incapable of being satisfied prior to then, then CIP Limited and CIP Acquireco, acting jointly, may terminate this Agreement by written notice to Stratos in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Agreement by CIP.

(j) If any conditions set forth in Section 6.3 shall not be complied with or waived by Stratos on or before the Completion Deadline or, if earlier, the date required for the satisfaction thereof, or become incapable of being satisfied prior to then, then Stratos may terminate this Agreement by written notice to CIP Limited and CIP Acquireco in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Agreement by Stratos.

(k) Unless otherwise terminated in accordance with this Agreement, this Agreement may be terminated by any of CIP Limited and CIP Acquireco, acting jointly, or Stratos if the Arrangement shall not have been completed on or prior to 5:00 p.m. (Toronto time) on the Completion Deadline, provided that the Party seeking termination of this Agreement is not in material breach of its obligations under this Agreement, including its respective obligations under Section 5.1(k) or 5.2(d), as applicable.

(l) Notwithstanding anything herein to the contrary, the obligations and rights of the Parties (and third party beneficiaries under Section 9.13) under Sections 7.3 and 9.13 shall survive the termination of this Agreement.

(m) This Agreement may not be terminated after the Effective Date.

8.2 Amendment

This Agreement may, at any time and from time to time before or after the holding of the Stratos Meeting but not later than the Effective Time, be amended by mutual written agreement of the Parties hereto without, subject to applicable Law, further notice to or authorization on the part of the Shareholders and any such amendment may, without limitation:

(a) change the time for the performance of any of the obligations or acts of any of the Parties hereto including an extension of the Completion Deadline;

(b) waive any inaccuracies in or modify any representation or warranty contained herein or in any document delivered pursuant hereto;

(c) waive compliance with or modify any of the covenants herein contained and waive or modify the performance of any of the obligations of any of the Parties hereto; and

(d) waive compliance with or modify any condition herein contained,

provided, however, that, after approval of the Arrangement Resolution by the Stratos Shareholders there shall be no amendment that by Law requires further approval of the Shareholders without further approval of such Shareholders. This Agreement and the Plan of

Arrangement may be amended in accordance with the Final Order (with the consent of the Parties), but in the event that the terms of the Final Order require any such amendment, the rights of the Parties hereto under Sections 6.1, 6.2, 6.3 and 7.3 and Article VIII shall remain unaffected.

ARTICLE IX GENERAL PROVISIONS

9.1 Notices

Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement by a Party hereto shall be in writing and shall be delivered by hand to the Party hereto to which the notice is to be given at the following address or sent by facsimile to the following numbers or sent by electronic mail to the following electronic mail addresses or to such other address or facsimile number or electronic mail addresses as shall be specified by a Party hereto by like notice. Any notice, consent, waiver, direction or other communication aforesaid shall, if delivered, be deemed to have been given and received on the date on which it was delivered to the address provided herein (if a Business Day or, if not, then the next succeeding Business Day) and if sent by facsimile or by electronic mail be deemed to have been given and received at the time of receipt (if a Business Day or, if not, then the next succeeding Business Day) unless actually received after 5:00 p.m. (local time) at the point of delivery in which case it shall be deemed to have been given and received on the next Business Day.

The address for service of each of the Parties hereto shall be as follows:

(a) if to CIP Limited:

CIP UK Holdings Limited
c/o Kirkland & Ellis International LLP
30 St. Mary Axe
London, United Kingdom
EC3A 8AF

Attention: Matthew Hurlock
Facsimile: 44(0) 20 7969 2001
Electronic mail: mhurlock@kirkland.com

with a copy (which shall not constitute notice) to:

Osler, Hoskin & Harcourt LLP
100 King Street West
1 First Canadian Place
Suite 6100, P.O. Box 50
Toronto, Ontario M5X 1B8

Attention: Donald G. Gilchrist
Facsimile: (416) 862-6666

Electronic mail: DGilchrist@osler.com

(b) if to CIP Acquireco:

CIP Canada Investment Inc.
Suite 600, 570 Queen Street
Fredericton New Brunswick
E3B 6Z6 Canada
Attention: Hans Lipman
Facsimile: (506) 857-4095
Electronic mail: hansl@ciplimited.com

with a copy (which shall not constitute notice) to:

Osler, Hoskin & Harcourt LLP
100 King Street West
1 First Canadian Place
Suite 6100, P.O. Box 50
Toronto, Ontario M5X 1B8

Attention: Donald G. Gilchrist
Facsimile: (416) 862-6666
Electronic mail: DGilchrist@osler.com

and to:

Kirkland & Ellis International LLP
30 St. Mary Axe
London, United Kingdom
EC3A 8AF

Attention: Matthew Hurlock
Facsimile: 44(0) 20 7969 2001
Electronic mail: mhurlock@kirkland.com

(c) if to Stratos:

Stratos Global Corporation
6901 Rockledge Drive, Suite 900
Bethesda, Maryland 20817

Attention: Richard Harris
Facsimile: (301) 214-2234
Electronic mail: richard.harris@stratosglobal.com

with a copy (which shall not constitute notice) to:

Blake, Cassels & Graydon LLP
2800 – 199 Bay Street
Commerce Court West
Toronto, Ontario M5L 1A9

Attention: David J. Toswell
Facsimile: (416) 863-2653
Electronic mail: david.toswell@blakes.com

9.2 Costs

Except as provided under Section 7.3 and in respect of any fees associated with any filings made pursuant to the applicable Antitrust Laws, which fees shall be paid by CIP, each of CIP and Stratos shall pay its own costs and expenses (including all legal, accounting and financial advisory fees and expenses) in connection with the transactions contemplated hereby including expenses related to the preparation, execution and delivery of this Agreement and the documents required hereunder.

9.3 Law

This Agreement shall be governed by and be construed in accordance with the laws of the Province of Ontario and the federal laws of Canada and each of CIP Limited, CIP Acquireco and Stratos irrevocably attorn to the exclusive jurisdiction of the courts of Ontario.

9.4 Remedies

The Parties hereto acknowledge and agree that an award of money damages may be inadequate for any breach of this Agreement by any Party hereto or its representatives and advisors and that such breach may cause the non-breaching Party hereto irreparable harm. Accordingly, the Parties hereto agree that, in the event of any such breach or threatened breach of this Agreement by one of the Parties hereto, Stratos (if CIP Limited or CIP Acquireco is the breaching Party) or CIP (if Stratos is the breaching Party) will be entitled, without the requirement of posting a bond or other security, to seek equitable relief, including injunctive relief and specific performance. Subject to any other provision hereof including Section 7.3, such remedies will not be the exclusive remedies for any breach of this Agreement but will be in addition to all other remedies available hereunder or at law or in equity to each of the Parties hereto.

9.5 Amendment

Subject to Section 8.2, this Agreement may, at any time and from time to time following the Effective Time, be amended by written agreement of the Parties hereto.

9.6 Assignment

No Party hereto may assign its rights or obligations under this Agreement without the prior written consent of the other Parties hereto.

9.7 Time of the Essence

Time shall be of the essence in this Agreement.

9.8 Binding Effect

This Agreement shall be binding upon and shall enure to the benefit of the Parties hereto and their respective successors and permitted assigns.

9.9 Waiver

Any waiver or release of any of the provisions of this Agreement, to be effective, must be in writing and executed by the Party hereto granting such waiver or right.

9.10 Severability

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

9.11 Confidentiality Agreement

The Parties acknowledge that the transactions contemplated by this Agreement are subject to the Confidentiality Agreement, which agreement (other than the provisions in section 5.1 thereof, which are hereby waived solely in respect of the acquisition of Stratos Shares upon the Arrangement) shall continue in full force and effect. For greater certainty, any discussions in connection with this Agreement shall be treated by the Parties hereto as strictly confidential and shall not (without the prior consent of the other Parties hereto or as contemplated or provided herein or as required by applicable Laws) be disclosed by either Party hereto to any Person other than a director, officer, employee, agent, shareholder or professional advisor of or to that Party hereto with a need to know for purposes connected with the matters contemplated by this Agreement and then only on a confidential basis and also on the basis that the Party concerned will be liable for any breach of confidentiality by a Person to whom it makes disclosure. In the event of a conflict between the provisions hereof and any provision of the Confidentiality Agreement, the provisions hereof shall prevail.

9.12 Entire Agreement

This Agreement, together with the Confidentiality Agreement (other than the provisions in section 5.1 thereof, which are hereby waived solely in respect of the acquisition of Stratos Shares upon the Arrangement), contains the entire agreement between the Parties hereto with respect to the subject matter hereof and thereof and supersedes all prior agreements, understandings, negotiations and discussions, whether or oral or written, with respect thereto.

There are no representations, warranties, covenants or conditions with respect to the subject matter hereof except as contained herein.

9.13 Third Party Rights

This Agreement shall not confer any rights or remedies upon any Person other than the parties hereto and their respective successors and permitted assigns; provided, however, that the provisions of Section 5.2(f) concerning insurance and indemnification and the provisions of Section 9.14 concerning personal liability are intended for the benefit of the individuals specified therein and their respective legal representatives.

9.14 No Personal Liability

No director or officer of Stratos shall have any personal liability whatsoever to CIP Limited or CIP Acquireco under this Agreement or any other document delivered in connection with this Agreement or the Arrangement by or on behalf of Stratos.

No director or officer of CIP Limited or CIP Acquireco shall have any personal liability whatsoever to Stratos under this Agreement or any other document delivered in connection with this Agreement or the Arrangement by or on behalf of CIP Limited or CIP Acquireco.

9.15 Execution in Counterparts

This Agreement may be executed in one or more counterparts including facsimile and/or electronic mail copies, each of which shall conclusively be deemed to be an original and all such counterparts collectively shall be conclusively deemed to be one and the same.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF CIP Limited, CIP Acquireco and Stratos have caused this Agreement to be executed as the date first written above by their respective officers thereunto duly authorized.

CIP UK HOLDINGS LIMITED

By: *(signed) Hans Lipman*

By: *(signed) Victor Horcasitas*

CIP CANADA INVESTMENT INC.

By: *(signed) Hans Lipman*

By: *(signed) Victor Horcasitas*

STRATOS GLOBAL CORPORATION

By: *(signed) James Parm*

By: *(signed) Richard Harris*

SCHEDULE A

ARRANGEMENT RESOLUTION

[SEE APPENDIX "A" TO CIRCULAR.]

SCHEDULE B
COMMITMENT LETTER AND TERM SHEET

COMMITMENT LETTER

To: CIP UK Holdings Limited

19 March 2007

Dear Sirs,

Term Loan Facilities Commitment Letter

We refer to your request that we finance the proposed acquisition (the "**Acquisition**") directly or indirectly by you and entities newly established to effect the Acquisition of all of the authorised and issued share capital of Stratos Global Corporation ("**Target**").

Acquisition Financing

We understand that the Acquisition, the repurchase of the existing Target notes tendered in the proposed mandatory tender offer for the Target's notes and any refinancing of existing Target indebtedness will be financed by borrowing by you under term loan facilities (the "**Facilities**")

We are pleased to set out in this letter our offer to lend the Facilities to you on the terms and conditions outlined in this letter and in the attached term sheet (the "**Term Sheet**").

This letter and the Term Sheet are the "**Mandate Documents**".

Conditions

The availability of the Facilities and our obligation to lend under the Facilities are subject only to the execution of a facility agreement (the "**Facilities Agreement**") for the Facilities reflecting the terms and conditions set out in the Term Sheet and the delivery of the conditions precedent (in form and substance satisfactory to us acting reasonably) described therein.

The parties hereto agree to negotiate the Facility Agreement in good faith in accordance with the outline terms agreed in the Term Sheet to enable the Facility Agreement to be executed and the Facilities to be made available as set out in the Term Sheet.

Assignments

No party to this letter shall assign any of its rights or transfer any of its rights or obligations under this letter provided that this shall not prevent any delegation permitted by this letter.

Termination

Neither party to this letter may terminate this letter except by notice to the other:

- (a) if a party materially breaches its terms;
- (b) if the other party requires material deviations from the agreed terms, conditions and structure of the Facilities and the Acquisition as set out in the Term Sheet and the Plan of Arrangement; or
- (c) the Facilities Agreement is not signed by 31 December 2007.

Entire Agreement

The Mandate Documents set out the entire agreement between ourselves relating to the lending of the Facilities and supersede any prior oral and/or written understandings or arrangements relating to the Facilities.

Any provision of the Mandate Documents may only be amended or waived in writing signed by each party hereto.

Third Party Rights

A person who is not a party to the Mandate Documents has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any of its terms and the consent of any person who is not a party to this letter is not required to rescind or vary this letter at any time.

Counterparts

This letter may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this letter.

Definitions

Terms defined in the Mandate Documents shall have the same meaning in the other Mandate Documents unless otherwise defined or the context requires otherwise.

Governing Law and Jurisdiction

This letter (including the agreement constituted by your acknowledgement of its terms) is governed by English law.

The parties submit to the non-exclusive jurisdiction of the English courts.

If you agree to the above, please acknowledge your agreement and acceptance of the offer by signing and returning the enclosed copy of this letter to Alison Horrocks at Inmarsat PLC, 99 City Road, London, EC1Y 1AX before close of business in London on 19 March 2007.

Yours faithfully

(signed) Rupert Pearce

For and on behalf of

INMARSAT FINANCE III LIMITED

We acknowledge and agree to the above:

(signed) Hans Lipman

For and on behalf of

CIP UK HOLDINGS LIMITED

TERM SHEET
19 MARCH 2007

Facilities: Term Loan Facility A
Term Loan Facility B
Term Loan Facility C
together referred to as the "**Facilities**"

Amount: US\$250,000,000 Term Loan Facility A ("**Facility A**")
up to a maximum of US\$151,500,000 Term Loan Facility B ("**Facility B**")
up to a maximum of US\$225,000,000 Term Loan Facility C ("**Facility C**")

Target: Stratos Global Corporation

Borrower: CIP UK Holdings Limited

Guarantor: CIP Canada Investment Inc.

Lender: Inmarsat Finance III Limited

Parent: Communications Investment Partners Limited

Group: The Borrower, the Guarantor and following the Call Option Exercise Date, the Target and its subsidiaries

Purpose: To finance:

Term Loan Facility A

- (a) indirectly, the consideration payable in Canadian dollars by the Guarantor to acquire all the issued and outstanding shares and options (including in relation to any dissenting shareholders), if applicable of the Target pursuant to a plan of arrangement ("**Plan of Arrangement**") to be carried out under the Canada Business Corporations Act ("**CBCA**");
- (b) any and all out of pocket costs and expenses of the Borrower and the Guarantor, including the fees of its professional advisers, (a) paid by the Lender in connection with the Facilities prior to the utilisation

of the Facility or (b) otherwise incurred by Borrower and/or the Guarantor in connection with the Facilities prior to the utilisation of the Facility;

- (c) any and all fees, costs and expenses incurred by the Lender in connection with such hedging arrangements as are required in order for, indirectly, the Guarantor to pay the consideration in Canadian dollars for all the issued and outstanding shares and options (including in relation to any dissenting shareholders), **provided that** supporting documentation is provided to the Borrower;
- (d) any and all reasonable and customary fees, costs and expenses incurred by the Borrower and the Guarantor in arranging a Consent Solicitation (as defined below) and/or replacement commitments from third party financial institutions to refinance the Senior Loan Facility; and
- (d) any and all reasonable and customary fees, costs and expenses incurred by the Borrower and the Guarantor in arranging a replacement for Facility B in the event that Facility C is utilised and Facility B is cancelled, even if such replacement third party facility is not utilised.

Term Loan Facility B

To finance the repurchase of the Target Notes by the Guarantor tendered in the mandatory tender offer for such Target Notes.

Term Loan Facility C

To finance the refinancing of the Target senior debt financing the ("**Senior Loan Facility**") by the Guarantor, in the event that (a) the planned consent solicitation (the "**Consent Solicitation**") to the Target's lenders fails to obtain all necessary consents to maintain the Senior Loan Facility in place following Completion and (b) the Guarantor fails to obtain replacement commitments from third party financial institutions to refinance the Senior Loan Facility.

Availability:

Term Loan Facility A

Subject to the satisfaction of the Certain Funds requirements, to be drawn down in full in one amount during the period between the date of signing of the Facility Agreement and the earlier of (i) the effective date of the Plan of Arrangement; and (ii) 31 December 2007 ("**Availability Period**").

Term Loan Facility B

Subject to satisfaction of the conditions precedent and if Facility C is cancelled in full, to be drawn down during the period between (i) the date of Completion and (ii) the date falling 95 days after such date.

Facility B will be automatically cancelled if Facility C is utilised.

Term Loan Facility C

Subject to satisfaction of the conditions precedent and subject further to (a) the Consent Solicitation being initiated by the Target as soon as reasonably practicable following execution of the Arrangement Agreement and the Target using its commercially reasonable efforts up to the date falling 30 days prior to the Target shareholder meeting to approve the Plan of Arrangement to obtain all necessary consents to maintain the Senior Loan Facility in place following Completion and (b) the Target using its commercially reasonable efforts, up to the date falling 30 days prior to the Target shareholder meeting to approve the Plan of Arrangement, to obtain replacement commitments from third party financial institutions to refinance the Senior Loan Facility at Completion, such replacement commitments to be in form and content satisfactory to the Lender, to be drawn down in one full amount on the effective date of the Plan of Arrangement but in any event no later than 31 December 2007.

Facility C will be automatically cancelled if (i) a successful Consent Solicitation is obtained or (ii) the Guarantor or the Target obtains replacement commitments from third party

financial institutions to refinance the Senior Loan Facility.

The Lender may by notice in writing to the Borrower direct the Borrower to exercise or to procure the exercise by the Guarantor of its right under the Arrangement Agreement to delay the date of the Target shareholder meeting to approve the Plan of Arrangement.

Repayment:

Term Loan Facility A

On and from the Call Option Exercise Date, and subject to the Grace Period (as defined below), Facility A will become repayable in equal semi-annual instalments up to the Maturity Date.

Term Loan Facility B

To the extent Facility B is drawn, each repayment instalment of Facility A shall be increased pro rata by the amount of such drawing.

Term Loan Facility C

To the extent Facility C is drawn, each repayment instalment of Facility A shall be increased pro rata by the amount of such drawing.

Fixed PIK Interest Rate for Facility A and Facility B:

For the period from the date of signing of the Facility Agreement to the Call Option Exercise Date - PIK 5.75% per annum capitalised at the end of each Interest Period and added to the amount of each advance.

Fixed Cash Pay Interest Rate for Facility A and Facility B:

For the period from the Call Option Exercise Date to 31 December 2010, 5.75% per annum and thereafter, 11.5% per annum **provided that** until 31 December 2010 (and not thereafter) to the extent the Borrower does not have sufficient cash (whether by virtue of upstreaming of Excess Cashflow (as defined below) or otherwise) to pay such interest, it shall be capitalised at the end of each Interest Period and added to the amount of each advance.

PIK/Cash Pay Interest Rate for Facility C:

The PIK Interest Rate and the Cash Pay Interest Rate will be calculated and details provided to the Borrower based on such commercial terms as are available to the Lender to

finance Facility C.

Hedging

The Lender will enter into currency hedging arrangements in order to ensure that it can lend to the Borrower sufficient funds in Canadian dollars to enable the Guarantor to acquire all of the issued and outstanding shares and options of the Target (including in relation to any dissenting shareholders).

In order to calculate the amount outstanding under Facility A, all amounts lent to the Borrower in Canadian dollars will be converted back into US dollars at the rate(s) set in, or adjusted for, such currency hedging arrangements.

PART 3

COMMON TERMS

- Documentation:**
- (a) The Facilities will be made available under a facility agreement (the "**Facility Agreement**");
 - (b) Security documentation as set out below.
- All documentation to be in form and substance satisfactory to the Lender (acting reasonably).
- Transaction Security:**
- (a) Share pledge over the shares of the Borrower and the Guarantor, which up to the Call Option Exercise Date, will not contain a right for the Lender, the parent company of the Lender or any subsidiary of such parent company to become owner, directly or indirectly, of the shares.
 - (b) Subject to materiality thresholds and agreed security principles and further subject to (i) the consent of the lenders under the Senior Loan Facility (if such facility is not refinanced) and (ii) the terms of the Target Notes or (iii) (if the Senior Loan Facility is refinanced) the terms of the Target Notes and (iv) if required, the lenders who have refinanced the Senior Loan Facility, share pledge over shares of Target and asset security from the Target Group to be given on the Call Option Exercise Date.
- Completion:** The date on which the Plan of Arrangement is completed.
- Maturity Date:** 10 years from Completion.
- Interest Periods for Loans:** Three months or any other period agreed between the Borrower and the Lender under the relevant Facility ending on or before the last repayment date.
- Payment of Interest on Loans:** Cash pay interest is payable on the last day of each Interest Period and in the case of Interest Periods of longer than six months, on the dates falling at six monthly intervals after the first day of the Interest Period. PIK interest is capitalised at the end of each Interest Period and added to the amount of each advance.

Mandatory Prepayment:

Paragraphs (a) and (e) to (g) shall apply from Completion. Paragraphs (b) to (d) below shall apply only from the Call Option Exercise Date.

(a) **Change of control, flotation and sale:**

Upon a change of control of the Borrower or the Guarantor, a flotation of the Borrower or the Guarantor or a disposal of all or substantially all of the Borrower or the Guarantor's assets, all Facilities shall be repaid and cancelled.

(b) **Disposals:**

Subject to agreed exceptions, disposal proceeds of all asset disposals by any member of the Group shall be applied in prepayment of the Facilities as set out below.

(c) **Excess Cash:**

An amount equal to 75% of Excess Cashflow (as defined below) in relation to each financial year (the "**Allocated Cash**") shall be applied (i) against cash pay interest obligations under the Facilities and any excess thereafter shall be applied (ii) in prepayment of the Facilities as set out below, within 14 days of the Lender receiving the Group audited accounts for such financial year.

"**Excess Cashflow**" to replicate the definition from time to time in the Senior Loan Facility, unless the Senior Loan Facility has been refinanced, in which case to replicate the definition contained (adjusted, if necessary, to take account of the transaction structure) in such replacement facility as at the date of Completion less all amounts due and payable by the Target under its Senior Loan Facility (or such other facility as is in place after a refinancing) and the Target Notes.

(d) **Insurance proceeds:**

To the extent not applied in reinstatement of the relevant asset within six months, all insurance

proceeds received in respect of the loss or destruction of assets held by any member of the Group shall be applied in prepayment of the Facilities as set out below.

(e) **Prior to Call Option Exercise Date:**

From Completion until the Call Option Exercise Date.

- (i) if any amounts are received by the Guarantor either from the Trustee under the terms of the Trust or from the Target, such amounts (after the deduction of all required fiscal withholdings and deductions relating to, or taxation imposed on, such amounts) shall be promptly distributed to the Borrower; and
- (ii) any and all amounts received by the Borrower from the Guarantor shall, (after the deduction of all required fiscal withholdings and deductions relating to, or taxation imposed on, such amounts) be applied in prepayment of the Facilities, firstly against interest and thereafter against principal.

(f) **Application of mandatory prepayment proceeds:**

Mandatory prepayment proceeds will be applied pro rata against outstandings under Facility A.

A mechanism will be included in the Facility Agreement to allow prepayments to be paid to a charged account pending their application at the end of the next applicable Interest Period or during any permitted reinvestment period.

- (g) Mandatory payments in respect of paragraphs (b) to (e) above only apply to the extent that the amounts due are capable of being, and are permitted under the Target Notes and Senior Loan Facility or such other facility as may be in place after a refinancing, to be upstreamed from the Target to the Borrower.

Conditions Precedent to Completion:

- (a) customary corporate documents, authorisations and certifications in respect of

the Borrower and the Guarantor;

- (b) execution of the Facility Agreement, a refinancing facility agreement between the Guarantor and the Target, if Facility C is funded, the Call Option and the Trust Agreement, which shall be satisfied, so long as such documents are executed in the form approved by the Lender on the date of announcement of the Arrangement Agreement (if such form is approved at announcement).
- (c) Lender satisfaction (acting reasonably) with the final forms of the Articles of Arrangement, the Certificate of Arrangement, the Plan Orders the Management Proxy Circular, the Plan of Arrangement and the Security Documents;
- (d) Lender satisfaction (acting reasonably and such satisfaction not being unreasonably withheld or delayed) with, if applicable, either (i) the form of consent provided by the lenders under the Senior Loan Facility (if such consent also contained any changes to the terms of the Senior Loan Facility) or (ii) the terms of the refinancing of the Senior Loan Facility (if such terms were materially different from the terms of the existing Senior Loan Facility);
- (e) all conditions precedent to (a) the completion of the transactions contemplated by the Arrangement Agreement in accordance with its terms and (b) the effectiveness of the Plan of Arrangement (in the Plan Documents, Plan Orders or otherwise), the Trust Agreement and the Call Option (other than payment of the consideration payable thereunder) must have been satisfied to the Lender's satisfaction or waived with the consent of the Lender (acting reasonably);

- (f) a certificate of the Borrower in the agreed form (signed by a director) certifying that no terms and conditions of the Plan Documents, the Plan Orders or the Trust Agreement have been amended, waived or terminated without the consent of the Lender and all conditions and covenants to be complied with by (i) the Guarantor and the Target under the Plan Documents and Plan Orders, and (ii) the Borrower and the Guarantor under the Trust Agreement, have been complied with or waived with the consent of the Lender; and
- (g) receipt of, or arrangements satisfactory to the Lender (acting reasonably) for the delivery of, share certificates and stock transfer forms relating to the shares of the Guarantor and the Borrower which are the subject of Transaction Security.

Conditions to Utilisation to Facility B and Facility C:

Facility B and Facility C may not be utilised if there is:

- (a) Facility A has not been advanced;
- (b) a breach of a representation and warranty in any material respect which is to be made or deemed repeated on the relevant date; or
- (c) an outstanding Event of Default or a Potential Event of Default.

Certain Funds to Facility A:

During the Facility A Availability Period the Lender may not refuse to make available the advance under Facility A, cancel any commitment in respect of Facility A, exercise any right of rescission or similar right or remedy which it may have in relation to Facility A or take any steps to accelerate any advances under Facility A unless:

- (a) any condition precedent to Completion has not been satisfied or waived;
- (b) any representation is incorrect or will be incorrect in any material respect immediately after that advance;
- (c) any Event of Default is outstanding or will result from

the making of that advance;

- (d) it is unlawful for the Lender to perform any of its obligations under the Finance Documents; or
- (e) a Change of Control of the Borrower or the Guarantor has occurred.

Representations and Warranties:

Until the Call Option Exercise Date, representations as to status, binding obligations, non-conflict, power and authority, no default and maintenance of holding company status to be made by the Borrower and the Guarantor on date of signing and on Completion and to be repeated on the first day of each Interest Period.

Following the Call Option Exercise Date, representations and warranties (and their repetition) to replicate, as appropriate, those contained in the Senior Loan Facility (as amended from time to time) if it has not been refinanced or such other facility as is in place after a refinancing, adjusted, if necessary, to take account of the transaction structure.

Financial Undertakings:

To apply after the Call Option Exercise Date and to replicate, as appropriate, the financial covenants contained in the Target Notes, adjusted, if necessary, to take account of the transaction structure.

Information Undertakings:

Until the Call Option Exercise Date:

- (a) prompt notification of any potential breach of any provision of the Target Notes or the Senior Loan Facility if it has not been refinanced, or such other facility as is in place after a refinancing of which it is aware;
- (b) notices of default under the Senior Loan Facility if it has not been refinanced, or such other facility as is in place after a refinancing and Target Notes which it has received;
- (c) information despatched by the Borrower or the Guarantor to shareholders, creditors or the Trustee;
- (d) information required from the Borrower and the Guarantor for "KYC" checks; and

- (e) right to be informed of an Event of Default or Potential Event of Default under the Facilities.

For the avoidance of doubt, it is confirmed that, prior to the Call Option Exercise Date, there is no obligation on the Target or its subsidiaries to deliver any on the above information to the Lender.

Following the Call Option Exercise Date, in addition to the above, to replicate, as appropriate, the relevant provisions in the Senior Loan Facility (as amended from time to time) if it has not been refinanced, or such other facility as is in place after a refinancing.

Non-Financial Undertakings:

- (a) **Positive:**
 - (i) Parent and Borrower to maintain the acquisition structure as set out in the Structure Memorandum;
 - (ii) compliance by the Borrower and the Guarantor with the Transaction Documents (including any obligation to pay dissenting shareholders from the proceeds of Facility A where such shareholders are required to be paid), Plan Documents, Plan Orders, the Call Option and the Trust Agreement;
 - (iii) pay amounts due and enforce rights under Plan Documents, Plan Orders and the Trust Agreement;
 - (iv) fully paid up nature and transferability of shares which are subject of Call Option;
 - (v) keep the Lender informed as to the progress of the Plan of Arrangement pursuant to the Arrangement Agreement and any material developments in relation to the Plan of Arrangement pursuant to the Arrangement Agreement and not to confirm satisfaction of or waive any conditions contained in the Plan of Arrangement or the Arrangement Agreement without the consent of the

Lender;

- (vi) promptly supply to the Lender copies of all documents publicly filed with the court in relation to the Plan of Arrangement or filed with governmental authorities, stock exchanges or securities regulators, notices or announcements received by the Borrower or the Guarantor or issued by any person to or received by the Borrower or the Guarantor in relation to the Plan of Arrangement;
- (vii) issue any Press Release substantially in the form agreed by the Guarantor and the Lender;
- (viii) the Borrower and the Guarantor will enforce, so far as it is commercially reasonable to do so, all of their rights and obligations under the Transaction Documents;
- (ix) Borrower and the Guarantor not to carry on business other than as a holding company of the Group and not to incur indebtedness other than under the Facilities (subject to agreed exceptions);
- (x) the Borrower and the Guarantor shall keep the Lender fully informed as to the progress of and consult with the Lender in relation to, the Consent Solicitation and the Guarantor's and, to the extent the Borrower and/or the Guarantor are aware, the Target's efforts to obtain replacement commitments from third party financial institutions to refinance the Senior Loan Facility;
- (xi) the Borrower and the Guarantor shall keep the Lender fully informed, to the extent the Borrower and/or the Guarantor are aware, as to the progress of and consult with the Lender in relation to, the Target's efforts to find replacement commitments from third party financial institutions to replace Facility

B in the event that it is anticipated that Facility B will be cancelled;

- (xii) if, on the date of Completion, the Guarantor is not able to pay the full amount of the acquisition consideration to the Shareholders of the Target due to the existence of a number of dissenting shareholders, it will hold the unpaid acquisition amount in a separate holding account, secured in favour of the Lender, such account to be drawn down by the Guarantor where required to pay the relevant outstanding acquisition amount to such dissenting shareholders; and

(b) Negative

- (i) the Borrower and the Guarantor cannot enter into or amend (or seek to or consent to an amendment to) any Plan Document or the Plan Order without Lender consent, cannot waive (or seek to or consent to a waiver of) any condition or provision in any Plan Document or the Plan Order without Lender consent and cannot exercise any right, determination or approval, consent or enforcement rights under any Plan Document or the Plan Order without Lender consent; and
- (ii) restrictions on the issue or disposition of shares, convertibles, options, notes or anything of a similar nature

Following the Call Option Exercise Date, additional covenants replicating, as appropriate, the provisions in the Target Notes (as amended from time to time).

Lender undertaking:

- (a) Neither the Lender nor any of its officers, directors, employees, shareholders or affiliates shall communicate with the Trustee regarding the operations or management of the Target.
- (b) The Lender will obtain a commitment from third party financial institutions to finance Facility C by the date

that is one day prior to the Target shareholder meeting to approve the Plan of Arrangement.

Right of First Refusal:

The Borrower shall promptly notify the Lender within five Business Days of the Borrower or the Guarantor becoming aware of a planned Fund Raising. The Lender shall notify the Borrower within 20 Business Days thereafter of its decision whether or not to fund, indirectly, the exercise of the Trust's right of first refusal over all or any part of any such Fund Raising (the "**ROFR**").

To the extent that the Lender shall notify the Borrower of its intention to fund the exercise of the ROFR;

- (i) the Lender undertakes to make additional Facilities available in order to fund such exercise;
- (ii) the Borrower undertakes to provide such additional facilities to the Guarantor and to exercise its rights over the Guarantor in respect of the ROFR; and
- (iii) the Borrower undertakes to procure that the Guarantor provides such additional facilities to the Trustee and that the Guarantor exercise its rights over the Trust in respect of the ROFR.

If the Lender fails to notify the Borrower of its intention to fund the exercise of the ROFR within the period referred to above, or the Lender notifies the Borrower of its intention not to fund the exercise of the ROFR, the Borrower undertakes to notify the Guarantor that it will not itself exercise its rights over the Guarantor in respect of the ROFR and to procure that the Guarantor notifies the Trustee of its intention not to exercise its rights over the Trust in respect of the ROFR.

Events of Default:

To replicate the Events of Default contained in the Target Notes (as amended from time to time) but only to apply to the Borrower and the Guarantor until the Call Option Exercise Date (to be modified as appropriate to reflect the acquisition structure). In addition:

- (a) rescission of any of the Plan Documents, Plan Orders, Call Option or Trust Agreement; and
- (b) Cross-acceleration with any Target indebtedness.

An Event of Default or breach of any representation or warranty shall not be deemed to have occurred by reason of any breach of representation, undertaking or non-payment following the Call Option Exercise Date if such Event of Default (other than a non-payment Event of Default) or breach relates to Target or any of its subsidiaries and occurs at a time when the Call Option has become exercisable (or been exercised) but Completion (as defined in the Call Option) has not occurred solely by reason that the Lender or the Guarantor has not obtained all regulatory approvals required for it to be able to become the indirect owner of the Target (the "**Grace Period**"). The Guarantor will only have the benefit of the Grace Period if it has, not less than six months prior to the Call Option Exercise Date, commenced applications for all regulatory approvals as are required by it to be able to become owner of the Target and has used its best commercial efforts to obtain such approvals.

Transfers/Assignments

Following the date of Completion, the commitment of the Lender to be freely transferable and assignable save that until the Call Option Exercise Date, the Lender shall not be entitled to assign any of its rights and benefits under this Agreement to Poseidon Global Ltd. and/or Poseidon Ventures Ltd. and/or any entities that control or are controlled by or are under common control with them.

Miscellaneous Provisions:

The Facility Agreement will contain standard provisions for transactions of this nature relating to, among other things, illegality, increased costs, grossing-up and market disruption.

Clean-up Period:

Breach of any representation, undertaking or any Event of Default for the period of 90 days from the later of (i) the date on which the Guarantor receives all of its regulatory approvals (provided that the Guarantor has commenced applications for all regulatory approvals as are required by it to be able to become owner of the Target and has used its best commercial efforts to obtain such approvals) and (ii) the Call Option Exercise Date, will not be a breach of representation or warranty, breach of covenant or an Event of Default if it relates exclusively to a member of the Target Group, was not procured by the Borrower or the Parent and is not reasonably likely to have a Material Adverse Effect.

Publicity:

Any publicity regarding the Facilities to be agreed in advance

by the Lender.

Law: English save where inappropriate for guarantees and security documents.

Jurisdiction: Courts of England save where inappropriate for guarantees and security documents.

Definitions: "**Arrangement Agreement**" means the arrangement agreement between the Borrower, the Guarantor and the Target.

"**Articles of Arrangement**" means the articles of arrangement filed under the CBCA in connection with the Plan of Arrangement.

"**Call Option Exercise Date**" means the date on which the Call Option first becomes exercisable (whether or not then exercised).

"**Certificate of Arrangement**" means the certificate of arrangement in respect of the Plan of Arrangement issued by the Director under the CBCA.

"**Fund Raising**" has the meaning given to it in the Shareholder Agreement.

"**Plan Documents**" means the Arrangement Agreement between the Guarantor and the Target, the Plan of Arrangement, the Arrangement Resolution, the Management Proxy Circular, the Shareholder Agreement, any side letter and all related documents and instruments.

"**Plan Orders**" means the interim order and the final order issued by the Ontario Superior Court of Justice (Commercial List) in connection with the Plan of Arrangement.

"**Press Release**" means the press release issued in connection with the Plan of Arrangement and the transactions contemplated thereby.

"**Senior Loan Facility**" means the Target senior loan facility dated 13 February 2006.

"**Shareholder Agreement**" means the shareholder agreement between the Trustee and the Target relating to the ROFR.

"Structure Memorandum" means the memorandum entitled "Project Sprite - Proposed Acquisition Structure" prepared by the Lender and of even date herewith.

"Target Notes" means the 9⁷/₈% Senior Notes due 15 February 2013 of the Target.

"Transaction Documents" means the Facility Agreement, the Call Option, the Trust Agreement, the Plan Orders, the Plan Documents, the Plan of Arrangement, the Articles of Arrangement, the Security Documents (share pledges), Utilisation Requests and any other document designated as a Transaction Document by the Lender and the Borrower.

"Trust" means the trust to be established by a Trust Agreement between the Guarantor and the Trustee.

"Trustee" means the Trustee appointed pursuant to the Trust Agreement.

SCHEDULE C

[SEE APPENDIX "B" TO CIRCULAR.]

SCHEDULE D
STRATOS OPTIONS

[REDACTED.]

SCHEDULE E

STRATOS SUBSIDIARIES

Stratos Holdings (Cyprus) Limited

Stratos Investment B.V.

- Stratos Ireland (Finance) Limited
- Xantic B.V.
- Xantic Broadcast B.V.
- Xantic Sales B.V.
- Australian Branch
- Xantic Holding B.V.
- Xantic Brazil Ltda.
- Xantic Satellite Communications Greece SA
- Xantic Solutions Ltd.
- Xantic UK Ltd.
- Xantic USA Holding Inc.
- Xantic Spain S.A.
- Xantic Norway AS
- Xantic Hong Kong Ltd.
- Xantic Mobile Satellite Services Singapore Pte. Ltd.
- Xantic Consultancy B.V.
- Xantic USA Inc.
- Dubai Branch
- Xantic GmbH

Stratos Holdings, Inc.

Stratos Financial LLC

Stratos Offshore Services Company

Stratos Communications, Inc.

Stratos Mobile Networks, Inc.

- Stratos Mobile Networks, (USA) LLC
- Stratos Government Services, Inc.

Stratos Wireless Inc.

Stratos de Mexico S.A. de C.V.

Stratos LFC S.A.

Stratos Global Japan KK

Stratos Canada Inc.

Stratos Communications (Australia) Pty Limited

Stratos Financing LUX, LLC

Navarino Telecom S.A.

NTS Maritime Limited

Stratos Funding LP

- Stratos Funding Company
- Stratos Funding LLC

Stratos NZ Holdings Limited

- Stratos New Zealand Limited

Stratos Global Holdings Limited

- Stratos Global Limited
- Stratos Aeronautical Limited
- Stratos Services Limited

Plenexis Holding Germany GmbH

- Plenexis Kft
- Plenexis Satelit Hizmetleri Limited Sirketi
- Plenexis Satellite communications AB
- Plenexis Ltd.
- Plenexis Gesellschaft für Satelliten-kommunikation mbH
- Moskovsky Teleport

SCHEDULE F

TRUST AGREEMENT

[SEE APPENDIX "I" TO CIRCULAR.]

SCHEDULE 6.1(f)

REGULATORY APPROVALS

1. ICA Approval, as applicable.
2. Regulatory approval from the U.S. Federal Communications Commission for transfer of control of the following licenses held by Stratos Global Corporation and its subsidiaries: (a) licenses under Title II of the U.S. Communications Act of 1934, as amended; (b) licenses under the Title III of the U.S. Communications Act of 1934, as amended; and (c) accounting authority held by Stratos Mobile Networks, Inc.
3. Regulatory approval from the U.S. Federal Communications Commission and the U.S. Executive Branch under Section 310(b)(4) of the Communications Act for new foreign ownership in Stratos Global Corporation.
4. Regulatory approval as needed from the U.S. Federal Communications Commission for special temporary authority for Stratos to use the Inmarsat 4F2 satellite for BGAN and Existing and Evolved services.
5. Regulatory approval from the Louisiana Public Service Commission for the transfer of control of the intrastate telecommunications service certification held by Stratos Offshore Services Company.
6. Approval from the Federal Anti-Monopoly Service of the Russian Federation.
7. A notice having been filed with the Committee on Foreign Investment in the United States pursuant to Section 721 of the Defense Production Act, and the parties having been advised that action under Section 721 has been concluded without further investigation or the time for taking such action by the Committee or the President has expired.
8. Regulatory approval from the Overseas Investment Office under the New Zealand Overseas Investment Act 2005 and its regulations, having regard to Stratos's direct or indirect ownership or control of sensitive land in New Zealand in terms of clause 10(1)(b) of the Overseas Investment Act 2005.
9. As applicable, expiration or early termination of the waiting period under the United States *Hart-Scott-Rodino Antitrust Improvements Act* of 1976, as amended.
10. CIP having notified the Fair Trade Commission of Taiwan ("TFTC") and the TFTC not having objected to the combination within 30 days, or any other period specified by the TFTC, after receiving the combination notification.

TRUST AGREEMENT

THIS TRUST AGREEMENT (the "**Agreement**") is entered into and effective as of April 2, 2007, by and between CIP Canada Investment Inc., a corporation organized and existing under the laws of Canada ("**Bidco**"), and Robert M. Franklin ("**Trustee**"), an individual resident in Canada. The Trust (as such term is defined in Section 1 below) is a "Canadian" for the purposes of the Investment Canada Act. Unless defined elsewhere herein, all capitalized terms shall have the meanings ascribed to them in Section 12 hereof.

WHEREAS, Bidco proposes (a) to deposit \$30,000 ("**Cash Asset**") in the Trust created hereunder, (b) to acquire, through a Plan of Arrangement ("**Plan of Arrangement**") under the Canada Business Corporations Act, all of the issued and outstanding common shares (together the "**Stock**") of Stratos Global Corporation, a Canadian corporation ("**Company**"), and simultaneously cause the legal title to the Stock (including any common shares of the Company otherwise acquired by Bidco) to be deposited in the Trust created hereunder (the "**Transaction**"), (c), subsequent to the completion of the Transaction, to implement a mandatory tender offer (the "**Bond Offer**") for Company's issued and publicly tradable bonds (any such bonds acquired by Bidco pursuant to the Bond Offer comprising the "**Bonds**") and to cause, simultaneously with the completion of the Bond Offer, the legal title to the Bonds, to be deposited in the Trust created hereunder and (d) in the event that, prior to the date of Company's shareholder meeting to approve the Transaction, (i) Company fails to obtain all necessary consents to maintain the Senior Facility in place following completion of the Transaction and (ii) Bidco fails to obtain replacement commitments from third party financial institutions to refinance the Senior Facility, contemporaneously with the completion of the Plan of Arrangement, to refinance the Senior Facility itself (the "**Refinancing**") and to cause, simultaneously with the first drawdown under such Refinancing, the legal title and any

and all rights as lender relating to the assets pledged as security under any such Refinancing (the “**Refinancing Assets**”) to be deposited in the Trust created hereunder (and for the purposes of this Agreement, the Cash Asset, the Stock, the Bonds, the Refinancing Assets and any additional property acquired under Section 6 or 8 hereof shall comprise the “**Trust Property**”);

WHEREAS, Company, through subsidiaries, holds various licenses, permits and authorizations issued by the United States Federal Communications Commission (the “**FCC**”), Industry Canada and other regulatory authorities and also may have applications pending before the FCC, Industry Canada and/or other regulatory authorities;

WHEREAS, the Transaction will be subject to the receipt of all necessary Regulatory Approvals which are required to be obtained in order to allow the Transaction to lawfully proceed, for which approvals Trustee, Bidco and/or Company, as applicable, will file appropriate applications (the “**Applications**”); and

WHEREAS, the holding of the Trust Property by Trustee under the terms herein will provide a mechanism that ensures that Bidco does not hold legal title to or voting interests in the Trust Property or have the power to direct or cause the direction of the management and policies of Company and its subsidiaries before such time as the Trust is terminated in accordance with its terms.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements hereinafter set forth, the parties hereto agree as follows:

1. Creation and Purpose of Trust. Subject to the terms and conditions hereof, a trust in respect of the Trust Property is hereby created and established (the “**Trust**”) under which, (a) upon the execution of this Agreement, the Cash Asset is to be transferred to and

held by the Trustee for the benefit of Bidco, (b) upon completion of the Transaction, legal title to the Stock is to be held exclusively by Trustee for the benefit of Bidco and (c) upon completion of the Bond Offer and/or the first drawdown under the Refinancing, legal title to the Bonds and/or the Refinancing Assets are to be held by Trustee for the benefit of Bidco, and Trustee hereby accepts the trust created hereby and agrees to serve as trustee hereunder. The Trust shall be irrevocable and shall remain in effect until it is terminated in accordance with Section 9 below (the “**Trust Period**”).

2. Transfer and Holding of the Trust Property

a. Upon the satisfaction or waiver of the conditions set forth in Article VI of the Arrangement Agreement and simultaneous with the transfer of the Stock from the shareholders of Company to Bidco under the Plan of Arrangement, Bidco shall cause the legal title to all of the Stock to be transferred, and the certificates representing the shares of such Stock to be delivered, to Trustee, duly endorsed or accompanied by a proper instrument of assignment duly executed such that Trustee shall exercise all voting rights with respect to the Stock and therefore have *de jure* and *de facto* control over Company. New certificates representing the legal title to the Stock so transferred to Trustee shall be issued to Trustee. Bidco shall not hold legal title to, but shall hold the beneficial ownership in the Stock during the Trust Period.

b. Trustee shall, upon receipt of certificates representing shares of the Stock, deliver to Bidco trust certificates therefor, substantially in the form of Exhibit A attached hereto.

c. Upon the completion of the Bond Offer, Bidco shall cause legal title to all of the Bonds to be transferred, and the certificates or other documents of title representing the Bonds to be delivered, to Trustee, duly endorsed or accompanied by a proper instrument of assignment duly executed. New certificates or other documents of title representing the Bonds so transferred to Trustee shall be issued to Trustee. Bidco shall not hold legal title to, but shall hold the beneficial ownership in the Bonds during the Trust Period.

d. Trustee shall, upon receipt of certificates or other documents of title representing the Bonds, deliver to Bidco trust certificates therefor, substantially in the form of Exhibit B attached hereto.

e. Upon the completion of the first drawdown under the Refinancing, Bidco shall cause legal title to the Refinancing Assets to be transferred, and the certificates or other documents of title representing the Refinancing Assets to be delivered, to Trustee, duly endorsed or accompanied by a proper instrument of assignment duly executed. New certificates or other documents of title representing the Refinancing Assets so transferred to Trustee shall be issued to Trustee. Bidco shall not hold legal title to, but shall hold the beneficial ownership in the Refinancing Assets during the Trust Period.

f. Trustee shall, upon receipt of certificates or other documents of title representing the Refinancing Assets, deliver to Bidco trust certificates therefor, in such form as the Trustee shall reasonably believe to be appropriate.

g. Trustee shall retain and hold the certificates representing the Trust Property only in accordance with, and subject to the terms and conditions set forth in, this Agreement. Except as hereinafter provided, all certificates representing the Trust Property

shall at all times be and remain in the possession of Trustee. Trustee shall have no authority to sell, transfer, assign, pledge, hypothecate or otherwise dispose of or encumber the Trust Property, or any rights therein or thereto, except to the extent otherwise specifically provided in this Agreement.

3. Maintenance of Trust Records; Replacement of Trust Certificates

a. Trustee shall maintain such records and books as are necessary or appropriate to enable Trustee to carry out the terms and conditions of this Agreement.

b. In case any trust certificate shall become mutilated, lost, stolen or destroyed, Trustee, under such conditions with respect to indemnity and otherwise as Trustee in Trustee's sole discretion may prescribe, may provide for the issuance of a new trust certificate in lieu of such lost, stolen or destroyed trust certificate or in exchange for such mutilated trust certificate.

4. Voting and Other Actions by Trustee

a. During the term of this Agreement, all voting rights with respect to the Trust Property, and the right to take part in or consent to any corporate, stockholder's, bondholder's, lender's or creditor's action of any kind arising out of or relating to the Trust Property shall be vested exclusively in Trustee, who shall exercise such rights in his absolute discretion in a manner consistent with his fiduciary duties, subject to the requirement that Trustee shall vote the Trust Property and/or execute written consents and/or exercise any and all rights arising under the Trust Property as follows:

(i) to use his best efforts to (x) enforce his rights under, and the agreements set forth in, the Shareholder Agreement and (y) ensure that Company complies with its obligations under the Shareholder Agreement; and

(ii) to elect members of the board of directors of Company whom he reasonably believes are independent of Bidco and its Affiliates and Inmarsat and its Affiliates, and whom confirm that they are independent of Bidco and its Affiliates and Inmarsat and its Affiliates.

b. Trustee shall cause any director appointed or elected by it in accordance with this Agreement to execute and deliver to Trustee an agreement, in form and substance acceptable to Trustee, pursuant to which such director agrees that the director will not communicate with Bidco or Inmarsat or their respective officers, directors, employees, stockholders and Affiliates regarding the Company, including the operations or management of Company; provided that any officer of the Company who is also a director may communicate with Inmarsat and its officers, employees and Affiliates regarding commercial matters in the ordinary course of business between the Company and Inmarsat and their respective Affiliates.

c. No person other than Trustee shall have any voting rights in respect of any of the Trust Property so long as this Agreement is in effect. Trustee shall have no beneficial ownership in the Trust Property in his capacity as a trustee. Bidco shall have no legal title, nor the right to vote, nor the right to exercise any right arising under, but shall hold the beneficial ownership in, the Trust Property during the Trust Period.

d. Trustee shall provide assistance to (a) Bidco in Bidco's efforts to obtain the Regulatory Approvals in connection with the eventual transfer of legal title to the Trust Property to Bidco or (b) a third party in such third party's efforts to obtain the

Regulatory Approvals in the event that Trustee is mandated to sell the Trust Property to a third party, in each case pursuant to Section 5 below, as appropriate, and shall take all such action as may be reasonably necessary in pursuit of such Regulatory Approvals. In the event that a third party challenges any such application or filing with respect to Trustee's legal title or authority to hold legal title to, vote, or exercise any right arising under the Trust Property pursuant to this Agreement, Trustee shall take all reasonable steps to defend against such challenge, including but not limited to providing such cooperation to Bidco as Bidco may require in its defense to any such suit or proceeding.

5. Transfer of Trust Property

a. At the written request of Bidco, Trustee shall cooperate with Bidco and take such actions as may be necessary or reasonably requested by Bidco in order to obtain the necessary Regulatory Approvals to permit the transfer of the legal title to the Trust Property from Trustee to Bidco pursuant to Section 5.b. below or to an unrelated third party pursuant to an auction process in accordance with Section 5.c. below (in any case, the "Transferee"). If the requested Transferee is Bidco, then such request may be made by Bidco prior to the time the Call Option is exercisable, provided always that (i) the Applications specify an effective date of transfer that is after the date the Call Option becomes exercisable and (ii) the actual transfer from Trustee to Bidco of the legal title to the Trust Property only occurs pursuant to Section 5.b. of this Agreement.

b. As soon as reasonably possible following receipt by Trustee of a written notice and reasonable evidence from Bidco that (x) the Call Option (i) has become exercisable or has been exercised, as the case may be, by the grantee of the Call Option pursuant to the terms of the Call Option Agreement or (ii) has terminated pursuant to the

terms of the Call Option Agreement and (y) the necessary Regulatory Approvals have been obtained to permit the transfer of legal title in and to the Trust Property to Bidco, Trustee shall cause the certificates representing the legal title to all of the Trust Property to be delivered to Bidco, properly endorsed for transfer to it, and shall take all other actions appropriate to effectuate the transfer of the legal title to all rights arising under, the Trust Property to Bidco.

c. If Trustee is notified by Bidco that the necessary Regulatory Approvals sought pursuant to Section 5.b. above cannot be obtained, then Trustee shall, as soon as reasonably practicable thereafter and subject to the necessary Regulatory Approvals having been obtained, sell all of the Trust Property to one or more third parties that are unrelated to Bidco, Inmarsat or their respective Affiliates. For this purpose, Trustee shall appoint a reputable investment bank to conduct an auction process to elicit binding offers from third parties for the acquisition of the Trust Property. Trustee shall, consistent with its fiduciary obligations, select the purchasing party or parties arising out of such auction process and determine the terms of such sale in such manner as will maximize the sale proceeds to Bidco (including, without limitation, selling some or all of the assets of the Group pursuant to an asset sale) consistent with the terms and conditions remaining attractive and appropriate in the circumstances. Any such sale shall be conducted in compliance with all applicable federal, state and Canadian securities laws, and shall be subject to such prior Regulatory Approvals as may be required.

d. Until such time as all of the conditions set forth in Section 5.b. or Section 5.c. are fulfilled, Trustee shall continue to hold the Trust Property in trust pursuant to the terms hereof.

e. Trustee shall have any and all such further powers, and shall take such further actions, as may be necessary to cause any of the transactions contemplated in Section 5.b. or Section 5.c. (including, but not limited to, causing to be made such additional regulatory filings and actions related thereto as may be required by the FCC or any other governmental agency) or otherwise to preserve the assets of Company and to fulfill Trustee's obligations under this Agreement.

6. Additional Capital and Debt

a. In the event that the Group decides to issue Securities or incur Indebtedness (each a "**Fund Raising**"), then Trustee shall use its best efforts to ensure that the Fund Raising is undertaken only in accordance with the terms of, and as set forth in, the Shareholder Agreement.

b. Trustee shall, within five (5) Business Days of receipt of a notice from Company of Company's intention to carry out a Fund Raising (the "**Fund Raising Notice**"), send a copy of such Fund Raising Notice to Bidco and provide Bidco with all information and documents it has received and will receive from Company in connection with the Fund Raising by virtue of holding the legal title to the Trust Property, in order to enable Bidco to decide whether or not to participate in such Fund Raising. If Bidco wishes to participate in the Fund Raising, it shall, within 27 Business Days of receipt of a copy of the Fund Raising Notice, instruct Trustee in writing specifying the number of Securities to which it wishes to subscribe or acquire and/or the amount of Indebtedness that it wishes to lend. Within 2 Business Days of receipt of the instructions from Bidco, Trustee shall, subject to the provisions of Company's constituent documents and provided it has received from Bidco either (x) the necessary funds or (y) a notice indicating that the necessary funds will be paid

directly to Company, subscribe to or acquire such Securities and/or or lend such Indebtedness (the “**New Investments**”) on behalf of Bidco.

c. In the event that Bidco shall participate in any Fund Raising, Bidco shall place, and Trustee shall hold, in the Trust pursuant to the terms of this Agreement, with effect from completion of the Fund Raising, the legal title to all rights under, any New Investments subscribed, purchased or lent by Bidco, as the case may be, and the New Investments shall become subject to all of the terms and conditions of this Agreement to the same extent as if they were Trust Property the legal title to which was acquired by Trustee pursuant to Section 2.a. hereof. Trustee shall issue trust certificates to Bidco in respect of the New Investments.

7. Concerning Trustee

a. Subject to the provisions of this Agreement, the Trust shall be managed exclusively by Trustee.

b. Trustee shall be entitled to receive from Bidco, as compensation for services as a Trustee hereunder, US\$20,000 (exclusive of any applicable GST) for each month of service. Each such monthly payment shall be made no later than the 10th day of the month following the month of service. If this Agreement and the Trust terminate pursuant to Section 9 prior to the last day of a month, that month’s payment shall be pro rated. In the event Bidco fails to make a monthly payment to Trustee by the 10th day of the month following the month of service, Trustee shall have the right, upon written notification to Bidco, to withdraw an amount equal to the overdue monthly payment from the Expenses Account (as such term is defined in Section 7.c. below) and Bidco shall, as soon as

reasonably practicable, replenish the Expenses Account by an amount equal to such amount of overdue monthly payment withdrawn from the Expenses Account by Trustee.

c. Trustee is expressly authorized to incur and pay all reasonable charges and other expenses which Trustee reasonably deems necessary and proper in the performance of Trustee's duties under this Agreement. On the completion date of the Transaction and on the first day of each of the following seventeen (17) consecutive calendar months thereafter, Bidco shall deposit the sum of US\$5600 in a bank account established by Trustee in the name of the Trust for the primary purpose of paying such charges and expenses (collectively, the "**Expenses Account**"). Trustee shall provide Bidco with a monthly statement showing all activities in such Expenses Account during the preceding month, including but not limited to the then-available balance in such Expenses Account, any withdrawals made by Trustee pursuant to Section 7.b. above, any deposits made by Bidco from distributions or other payments received by Trustee in accordance with Section 8.a. below and the itemized charges and expenses that were paid by Trustee from such Expenses Account, and attach copies of reasonable documentation supporting such charges and expenses. In the event the available balance in the Expenses Account is insufficient to pay certain charges or expenses, Trustee shall notify Bidco in writing of such fact and may, in its discretion, pay such charges or expenses on behalf of the Trust, in which case Bidco will reimburse Trustee for such properly documented charges or expenses. Any such payment shall be made to Trustee promptly, but in no event later than the 30th day after submission by Trustee of an invoice or bill therefor plus appropriate supporting documentation. Upon termination of the Trust in accordance with the terms hereof, Trustee shall, after deducting all amounts due to him pursuant to Sections 7.b. and 7.c., pay any cash balance deposited at the time in the Expenses Account to Bidco.

d. Bidco hereby agrees to indemnify and hold harmless Trustee from and against all claims, costs of defense of claims (including reasonable attorneys' fees and disbursements), expenses and liability, including amounts paid to settle an action or satisfy a judgment, incurred by Trustee in connection with the performance of Trustee's duties under this Agreement.. Bidco further agrees that it shall assert all its rights against any insurance company or other third party in order to fulfill its indemnification obligations to Trustee hereunder. Bidco shall, upon demand, make advances to Trustee of all reasonable amounts for which Trustee seeks indemnification hereunder before the final disposition of the relevant proceeding. Trustee shall also be indemnified and reimbursed out of the Trust Property in respect of any amounts payable by Bidco hereunder to the extent that such amounts are not paid or advanced by Bidco on a timely basis. If and to the extent that a court of competent jurisdiction, in a final non-appealable judgment in a proceeding in which Trustee is named as a party, determines that any amounts claimed hereunder were caused by or resulted from Trustee's gross negligence or willful misconduct, then Trustee shall reimburse any funds advanced to him pursuant to this indemnity. This Section 7.d. shall survive the termination of this Agreement.

e. Trustee shall be free from liability to Bidco in acting, in accordance with the terms of this Agreement, upon any paper, document or signature believed by Trustee in good faith to be genuine and to have been signed by the proper party. Trustee shall not be liable to Bidco for any error of judgment in any act done or omitted, nor for any mistake of fact or law, nor for anything which Trustee may do or refrain from doing in good faith, except when such error, mistake, act or omission results from Trustee's gross negligence or willful misconduct. Trustee may consult with legal counsel, who shall have no business, financial, familial or other relationship with Bidco or Company, and any action under this

Agreement taken or suffered in good faith by Trustee in accordance with the advice of Trustee's counsel shall be conclusive on the parties to this Agreement and Trustee and his counsel shall not be the subject of any claim by or liability to Bidco or their respective successors or assigns. This Section 7.e. shall survive the termination of this Agreement.

f. The rights and duties of Trustee hereunder shall terminate upon Trustee's incapacity to act, death or insolvency, and no interest in any of the Trust Property held by Trustee nor any of the rights and duties of the deceased or insolvent Trustee may be transferred by will, devise, succession or in any manner except as provided in this Agreement. The heirs, administrators, executors or other representatives of the incapacitated, deceased or insolvent Trustee shall, however, have the right and duty to convey, subject to such Regulatory Approvals as may be required, legal title to any Trust Property held by Trustee to one or more Canadian resident successor trustees chosen by Bidco as soon as reasonably practicable.

g. Trustee may resign by giving ninety (90) days' advance written notice of resignation to Bidco, if and only if a successor Canadian resident trustee has been appointed (pursuant to Section 7.h. below) and such appointment has received any necessary Regulatory Approval and such approval is no longer subject to review. Bidco shall not unreasonably delay the appointment of a successor trustee.

h. Bidco may remove Trustee upon a finding by an independent party that Trustee has engaged in malfeasance, criminal conduct, or wanton or willful neglect, or if Trustee is adjudged incompetent by a court of competent jurisdiction. In the event of the removal or resignation of Trustee, Trustee shall cooperate with Bidco to ensure that the successor trustee succeeds to all of its rights and obligations under this Agreement.

i. In the event of the removal, resignation, incapacity to act, death or insolvency of Trustee, it shall be succeeded by a Canadian resident successor trustee chosen by Bidco. Subject to such Regulatory Approvals as may be required, any successor trustee shall succeed to all of the rights and obligations of the replaced Trustee hereunder upon execution by such successor trustee of a counterpart of this Agreement.

j. Trustee and any successor trustee designated pursuant to Paragraph i. of this Section 7 shall not be a partner, officer, employee, director, shareholder or Affiliate of Bidco or Inmarsat or their respective Affiliates, and may not have any business or familial relationship (as defined in the FCC Policy Statement in MM Docket No. 85-218, FCC 86-67 (March 17, 1986)) with Bidco, Inmarsat, any officer, employee, director, shareholder or Affiliate of Bidco or any officer, employee, director, material shareholder or Affiliate of Inmarsat.

8. Dividends: Distribution of Proceeds of Sales of Stock or Assets

a. In the event Trustee receives any dividends or other distributions (other than Securities of Company) or interest payments, Trustee shall deposit all or a portion of such distributions or payments in the Expenses Account so that the balance thereof satisfies the Working Balance and convey any remaining portion of such distributions or payment to Bidco.

b. In the event Trustee receives any Securities of Company in form of a dividend or other distribution, Trustee shall hold the legal title to such Securities subject to this Agreement, and the same shall become subject to all of the terms and conditions of this Agreement to the same extent as if they were Trust Property acquired by Trustee pursuant to

Section 2.a. hereof. Trustee shall issue trust certificates in respect of any such Securities to Bidco.

c. In the event of the sale of all or substantially all of the assets of Company to a third party, the dissolution or total or partial liquidation of Company, or the sale of any or all the Trust Property to a third party, Trustee shall receive on behalf of Bidco, the monies, Securities, rights or property that are distributed or are distributable in respect of the Trust Property (or any of it), or that are received in exchange for the Trust Property (or any of it), and shall promptly distribute such monies, securities, rights or property to Bidco.

9. Termination of Trust Agreement

a. Subject to such Regulatory Approvals as may be required, this Agreement and the Trust shall terminate automatically on 14 April 2009, provided, however, that if Trustee shall not have transferred the Trust Property to a Transferee pursuant to Section 5.b. or Section 5.c. of this Agreement as of 14 April 2009, then the Trust and this Agreement shall be extended until the first to occur of the following: (i) the transfer or sale of the legal title to all rights arising under all the Trust Property to Bidco as contemplated by Section 5.b. of this Agreement; (ii) the sale of the Trust Property (or all or substantially all of the assets of the Group) to a third party and the distribution of any amount received in exchange for the Trust Property to Bidco as contemplated by Sections 5.c. and 8.c. of this Agreement; or (iii) the dissolution or liquidation of Company and the distribution of any amount resulting from such dissolution or liquidation to Bidco as contemplated by Section 8.c. of this Agreement.

b. Notwithstanding any other provision of this Agreement and subject to such Regulatory Approvals as may be required to effect the Transfer of the Trust Property to Bidco or a third party as permitted under the terms hereof, the Trust and this Agreement shall terminate on the date (which may be before or after 14 April 2009) that (x) Trustee receives notice from Bidco that all provisions in the Distribution Agreements (as such term is defined in the Call Option Agreement) restricting or prohibiting the exercise and completion of the Call Option in accordance with the terms thereof shall have been waived, terminated, or shall otherwise have expired or become inapplicable or ineffective and (y) the first to occur of the events set forth in clauses (i), (ii) or (iii) in Section 9.a.

10. Communications

a. Trustee and Bidco shall communicate in writing with one another concerning the implementation of this Agreement, the implementation of the Call Option, and any termination event for the Trust.

b. Trustee shall, as soon as reasonably practicable, (x) provide to Bidco in writing all information that Trustee receives from the Group and (y), upon Bidco's written request and to the extent permitted by any applicable laws, rules and regulations, obtain from Company and pass on to Bidco in writing any other information relating to the Group as may be required for Bidco and/or its lenders (or any of their respective Affiliates) to comply with all applicable securities laws and the rules and regulations of pertinent governing authorities or bodies.

c. Under no circumstances shall (i) Bidco or any of its officers, directors, employees, shareholders or Affiliates communicate with Trustee or (ii) Trustee communicate

with Inmarsat or any of its officers, directors, employees, shareholders or Affiliates, regarding the operation or the management of Company.

d. Any communication pursuant to Section 10.a. or Section 10.b. shall be in writing.

e. All notices and other communications given under this Agreement shall be in writing and shall be deemed to have been duly given when delivered in person or by overnight express or mailed by first-class, registered or certified mail, postage prepaid, or transmitted by telex, telecopy or telegram and addressed to the parties as follows:

(i) if to Bidco:

CIP Canada Investment Inc.
Suite 600
570 Queen Street
Fredericton New Brunswick
E3B 6Z6
Canada

Telephone: + 1 506 857 8970
Fax: + 1 506 857 4095

Attention: Hans Lipman

with copies (which shall not constitute notice) to:

Kirkland & Ellis International LLP
30 St. Mary Axe
London
EC3A 8AF
England

Attention: Matthew Hurlock

(ii) If to Trustee:

Robert M. Franklin
34 Plymbridge Crescent
Willowdale, Ontario

M2P 1P5
Canada
Telephone: (416) 363-1139
Fax:
with copies (which shall not constitute notice) to:

Torys LLP
Suite 3000
Box 270, TD Centre
79 Wellington Street West
Toronto, Ontario
M5K 1N2
Canada

Attention: James D. Scarlett

or to such other address as any of them by written notice to the others may from time to time designate. Each notice or other communication which shall be delivered, mailed or transmitted in the manner described above shall be deemed sufficiently received for all purposes at such time as it is delivered to the addressee (with any return receipt, delivery receipt or (with respect to a telex) answerback being deemed conclusive evidence of such delivery) or at such time as delivery is refused by the addressee upon presentation.

11. Miscellaneous

- a. Trustee agrees to execute the Shareholder Agreement upon or immediately following completion of the Transaction.
- b. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements, commitments or understandings with respect to the matters provided for herein. This Agreement may be amended, altered or modified by an instrument in writing duly executed by each of the parties hereto only to the extent necessary to (a) obtain the

Regulatory Approvals required to consummate the Transaction or (b) prevent or cure (i) a violation of FCC rules, regulations, or policies, (ii) a negative effect on Regulatory Approvals associated with the transfer of the Trust Property pursuant to Section 5 above or (iii) a contradiction of the intention of the parties as expressed in the fourth recital hereto.

c. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective permitted successors and permitted assigns. Subject to Section 7.i. hereof, this Agreement shall not be assignable by Trustee.

d. If any part of any provision of this Agreement or any other agreement, document or writing given pursuant to or in connection with this Agreement shall be invalid or unenforceable under applicable law, said part shall be ineffective to the extent of such invalidity only, without in any way affecting the remaining provisions of this Agreement.

e. The headings of the sections of this Agreement are inserted for convenience of reference only and do not form a part or affect the meaning hereof.

f. This Agreement, the rights and obligations of the parties hereto, and any claims and disputes relating thereto, shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada (not including the choice of law rules thereof).

g. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall be deemed to be one and the same instrument.

h. Trustee shall comply with all applicable rules, regulations and policies of the FCC and other governmental bodies in connection with the performance of its obligations hereunder.

12. Definitions

As used in this Agreement the following terms shall have the following meanings:

“Affiliate” shall have the meaning given to it in the Canada Business Corporation Act;

“Bond Indenture” shall mean the Indenture, dated February 13, 2006, entered between the Company, JP Morgan Trust Company and certain grantors listed therein;

“Business Day” means any day other than a Saturday, Sunday or any other day observed as a civic or statutory holiday in London, England or Toronto, Ontario, on which commercial banks are generally open for business in London, England and London, Ontario;

“Call Option” shall mean the call option over the entire issued share capital of CIP UK Holdings, Ltd. (the parent company of Bidco) (“Holdco”) granted to Inmarsat Finance III Limited by Communications Investment Partners Ltd. (the parent company of Holdco) pursuant to a call option agreement to be entered into on or prior to completion of the Transaction (the “Call Option Agreement”);

“Group” shall mean Company and its direct and indirect subsidiaries;

“Indebtedness” shall mean any borrowings or indebtedness (including, but not limited to acceptance credits, discounting or similar facilities, loan facilities, overdrafts, finance leases) but excluding (x) debt instruments such as notes, bonds, debentures; (y) borrowings or

indebtedness allowed under the Senior Facility; and (z) borrowings or indebtedness between the Group;

“Inmarsat” shall mean Inmarsat plc, whose registered office is at 99 City Road, London EC1Y 1AX;

“Person” shall mean any individual, firm, body, corporate, association, partnership and company;

“Regulatory Approvals” shall mean all governmental approvals, filings, waivers, clearances, approvals, no action letters and/or the expiration or early termination of applicable waiting periods as are legally required or reasonably desirable under, as applicable, the rules and regulations of the FCC, the Hart Scott Rodino Antitrust Improvements Act of 1976 (the “HSR Act”) the Competition Act, (Canada), the Investment Canada Act and other applicable laws and regulatory bodies;

“Securities” shall mean any shares or options, warrants or other securities or rights over or convertible or exchangeable into or exercisable for shares or common or preferred equity equivalents, notes, bonds, debentures, and any other instrument evidencing indebtedness;

“Senior Facility” shall mean the Group’s senior secured credit facility in existence as at the date hereof, and as amended or replaced from time to time; and

“Shareholder Agreement” shall mean the agreement between Trustee and Company, in the form set out at Annex 1 hereto and to be entered into upon completion of the Transaction.

NO FURTHER TEXT. EXECUTION PAGE FOLLOWS.

IN WITNESS WHEREOF, the parties hereto have executed this agreement or caused this Agreement to be duly executed on their behalf as of the date and year first hereinabove set forth.

CIP Canada Investment Inc.

Trustee

By:  _____

By: _____

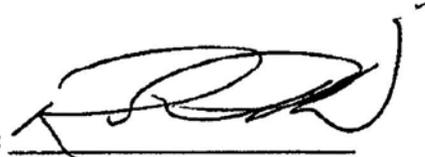
Execution Copy

IN WITNESS WHEREOF, the parties hereto have executed this agreement or caused this Agreement to be duly executed on their behalf as of the date and year first hereinabove set forth.

CIP Canada Investment Inc.

Trustee

By: _____

By:  _____

IN WITNESS WHEREOF, the parties hereto have executed this agreement or caused this Agreement to be duly executed on their behalf as of the date and year first hereinabove set forth.

CIP Canada Investment Inc.

Trustee

By: _____

By: _____

Exhibit ATRUST CERTIFICATE

This certifies that the undersigned, Robert M. Franklin, as trustee ("Trustee") has received certificates representing • common shares of stock (the "Stock") of Stratos Global Corporation, a Canadian corporation, ("Company") which shares were delivered to Trustee in accordance with Section 2 of the Trust Agreement, dated and effective April 2, 2007, between Trustee and Bidco (the "Trust Agreement"). Terms not otherwise defined herein shall have the meanings ascribed to them in the Trust Agreement. The Stock is duly registered in the name of Trustee, and is being held by Trustee on the following terms and conditions:

Rights of Bidco

Bidco shall not hold legal title to the Stock, but will retain beneficial ownership therein until certain regulatory requirements have been satisfied and only to the extent provided in the Trust Agreement.

Voting Rights

Trustee, during the term of the Trust Agreement, is the holder of the legal title to the Stock for all purposes provided for in the Trust Agreement, and shall have all voting rights with respect to the Stock, and the right to take part in, or consent to, any corporate or stockholder's actions of any kind, as provided in the Trust Agreement.

Dividends and Distributions

Bidco shall be entitled to receive, subject to the provisions of the Trust Agreement, payments of dividends and other distributions (other than the legal title to voting securities of Company) collected or received by Trustee with respect to the Stock, except that in the event Trustee receives any additional voting securities of Company through a dividend or other distribution with respect to the Stock, Trustee shall hold the legal title to such securities pursuant to the terms of the Trust Agreement and shall issue to Bidco additional Trust Certificates therefor.

Termination

Subject to such approval of the FCC and/or other regulatory bodies as may be required, the Trust Agreement and the Trust shall terminate automatically on 14 April 2009, provided that, if the Stock has not been transferred as of that date pursuant to Section 5.b. or Section 5.c. of the Trust Agreement, then the Trust and this Trust Agreement shall be extended until the first to occur of the following: (i) the transfer or sale of the legal title to all the Stock to Bidco as contemplated by Section 5.b. of the Trust Agreement; (ii) the sale of the Stock to a third party and the distribution of any amount received in exchange for the Stock to Bidco as contemplated by Sections 5.c. and 8.c. of the Trust Agreement; and (iii) the dissolution or liquidation of Company and the distribution of any amount resulting from such dissolution or liquidation to Bidco as contemplated by Section 8.c. of the Trust Agreement.

Notwithstanding any other provision of the Trust and the Trust Agreement and subject to such Regulatory Approvals as may be required to effect the transfer of the Stock to Bidco or a Third Party as permitted under the Trust Agreement, the Trust Agreement shall terminate on the date (which may be before or after 14 April 2009) that (x) Trustee receives notice from Bidco that all provisions in the Distribution Agreements (as defined in the Call Option Agreement) restricting or prohibiting the exercise and completion of the Call Option in accordance with the terms thereof shall have been waived, terminated, or shall otherwise have expired or become inapplicable or ineffective and (y) the first to occur of the events set forth in (i), (ii) and (iii) in this paragraph.

Restriction on Transfers

This Trust Certificate and the shares of Stock for which it was issued are not transferable during the term of the Trust Agreement, except as provided in or contemplated by the Trust Agreement.

Trust Agreement

This Trust Certificate is governed in all respects by the Trust Agreement. In the event of any inconsistency between the terms and conditions of this Certificate and the Trust Agreement, the Trust Agreement shall prevail.

TRUSTEE:

Date:

Exhibit BTRUST CERTIFICATE

This certifies that the undersigned, Robert M. Franklin, as trustee ("Trustee") has received certificates representing \$[●] principal amount of bonds (the "Bonds") of Sprite Global Corporation, a Canadian corporation, ("Company") issued pursuant to an indenture dated February 13, 2006, between Company, JP Morgan Trust Company National Association and the Guarantors listed therein. Such Bonds were delivered to Trustee in accordance with Section 2 of the Trust Agreement, dated and effective April 2, 2007, between Trustee and Bidco (the "Trust Agreement"). Terms not otherwise defined herein shall have the meanings ascribed to them in the Trust Agreement. The Bonds are duly registered in the name of Trustee, and are being held by Trustee on the following terms and conditions:

Rights of Bidco

Bidco shall not hold legal title to the Bonds, but will retain beneficial ownership therein until certain regulatory requirements have been satisfied and only to the extent provided in the Trust Agreement.

Voting Rights

Trustee, during the term of the Trust Agreement, is the holder of the legal title to the Bonds for all purposes provided for in the Trust Agreement, and shall have all voting rights with respect to the Bonds, and the right to take part in, or consent to, any bondholder's actions of any kind, as provided in the Trust Agreement.

Interest and Distributions

Bidco shall be entitled to receive, subject to the provisions of the Trust Agreement, payments of interest and other distributions (other than the legal title to bonds of Company) collected or received by Trustee with respect to the Bonds, except that in the event Trustee receives any additional bonds of Company through a dividend or other distribution, Trustee shall hold the legal title to such bonds pursuant to the terms of the Trust Agreement and shall issue to Bidco additional Trust Certificates therefore.

Termination

Subject to such approval of the FCC and/or other regulatory bodies as may be required, the Trust Agreement and the Trust shall terminate automatically on 14 April 2009, provided that, if the Bonds have not been transferred as of that date pursuant to Section 5.b. or Section 5.c. of the Trust Agreement, then the Trust and the Trust Agreement shall be extended until the first to occur of the following: (i) the transfer or sale of the legal title to all the Bonds to Bidco as contemplated by Section 5.b. of the Trust Agreement; (ii) the sale of the Bonds to a third party and the distribution of any amount received in exchange for the Bonds to Bidco as contemplated by Sections 5.c. and 8.c. of the Trust Agreement; and (iii) the dissolution or liquidation of Company and the distribution of any amount resulting from

such dissolution or liquidation to Bidco as contemplated by Section 8.c. of the Trust Agreement. Notwithstanding any other provision of the Trust and the Trust Agreement and subject to such Regulatory Approvals as may be required to effect the transfer of the Bonds to Bidco or a third party as permitted under the Trust Agreement, the Trust Agreement shall terminate on the date (which may be before or after 14 April 2009) that (x) Trustee receives notice from Bidco that all provisions in the Distribution Agreements (as defined in the Call Option Agreement) restricting or prohibiting the exercise and completion of the Call Option in accordance with the terms thereof shall have been waived, terminated, or shall otherwise have expired or become inapplicable or ineffective and (y) the first to occur of the events set forth in (i), (ii) and (iii) in this paragraph.

Restriction on Transfers

This Trust Certificate and the Bonds for which it was issued are not transferable during the term of the Trust Agreement, except as provided in or contemplated by the Trust Agreement.

Trust Agreement

This Trust Certificate is governed in all respects by the Trust Agreement. In the event of any inconsistency between the terms and conditions of this Certificate and the Trust Agreement, the Trust Agreement shall prevail.

TRUSTEE:

Annex 1

Shareholder Agreement

SHAREHOLDER AGREEMENT

THIS SHAREHOLDER AGREEMENT (this "Agreement") is entered into as of _____, to be effective as of _____ ("Effective Date"), by and between Robert M. Franklin (the "Shareholder") and Stratos Global Corporation, a corporation organized and existing under the laws of Canada (the "Company");"

WHEREAS, CIP Canada Investment Inc., a corporation organized and existing under the laws of Canada ("CIP") has acquired, through a statutory arrangement under the *Canada Business Corporations Act* (the "Act"), all of the issued and outstanding common shares (the "Stock") of the Company, and deposited legal title to such Stock in the Trust created under the terms of a trust agreement dated April 2, 2007, (the "Trust Agreement") pursuant to which the Shareholder has accepted the trust created thereby and has agreed to serve as trustee and hold legal title to the Stock for the benefit of CIP and comply with the terms therein (the "Transaction");

WHEREAS the parties wish to provide for right of the Shareholder to have a preemptive right as regards additional funding of the Group during the period that the Shareholder holds the Stock under the terms of the Trust Agreement. Unless defined elsewhere herein all capitalized terms shall have the meaning ascribed to them in Section 5 hereof.

NOW THEREFORE in consideration of the foregoing and of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the parties hereto covenant and agree as follows:

1. **Term.** This Agreement shall be in effect for a term commencing on the Effective Date and shall terminate immediately when the Shareholder (or its permitted assignees in accordance with the Trust Agreement) ceases to be the holder of legal title to the Stock.
2. **Additional Capital and Debt.**
 - (a) If any member of the Group desires to issue Securities or incur Indebtedness (each a "Fund Raising"), then the Company agrees that the Group shall undertake such Fund Raising only in accordance with the terms of this Section 2.
 - (b) In connection with any Fund Raising and at least 40 Business Days prior to an Offering, the Company shall deliver to the Shareholder a written notice ("Fund Raising Notice") containing the terms, conditions and the legal documentation necessary for the completion of the proposed Fund Raising (the "Offering Terms").
 - (c) Upon the receipt of the Fund Raising Notice, the Shareholder shall have the first option but not the obligation (the "ROFR"), with respect to such Fund Raising, to (i) subscribe for up to all Securities and (ii) lend up to all the Indebtedness, in each case, in the Fund Raising on the Offering Terms. Any ROFR will be exercisable by the Shareholder at any time within 35 Business Days following the receipt of the Fund Raising Notice (such 35 Business Day

period being the "Subscription Period"), by notice in writing to the Company (an "Exercise Notice").

- (d) All (and not some only) of the new Securities and/or additional Indebtedness which have not been accepted for subscription and/or purchase by the Shareholder during the Subscription Period, by delivery of an Exercise Notice, may be offered by the Company for subscription and/or purchase by one or more *bona fide* independent third parties within 180 days following the Subscription Period on the relevant Offering Terms. If a transaction is not completed with one or more such third parties on such terms during such 180 day period, then that Fund Raising shall be terminated, provided that the Company shall be permitted to begin a new Fund Raising at any time thereafter so long as it again complies with the terms of this Section 2.

3. **Notices.** All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been received (a) when delivered personally to the recipient, (b) when telecopied to the recipient (with hard copy sent to the recipient by internationally reputable overnight courier service (charges prepaid) that same day) if telecopied before 5:00 p.m., local time in the jurisdiction of recipient on a Business Day, and otherwise on the next Business Day, or (c) two (2) Business Days after being sent to the recipient by internationally reputable overnight courier service (charges prepaid). Such notices, demands and other communications shall be sent to the parties hereto at the addresses set forth below.

To the Company:

Stratos Global Corporation
6901 Rockledge Drive, Suite 900
Bethesda, Maryland 20817

Attention: Richard Harris
Telephone: (301) 214-8800
Facsimile: (301) 214-2234

with a copy (which shall not constitute notice hereunder) to:

Blake, Cassels & Graydon LLP
2800 – 199 Bay Street
Commerce Court West
Toronto, Ontario M5L 1A9

Attention: David J. Toswell
Telephone: (416) 863-2400
Facsimile: (416) 863-2653

To the Shareholder:

Robert M. Franklin
34 Plymbridge Crescent

Willowdale, Ontario
M2P 1P5
Canada
Telephone: (416) 363-1139
Fax:

with copies (which shall not constitute notice) to:

Torys LLP
Suite 3000
Box 270, TD Centre
79 Wellington Street West
Toronto, Ontario
M5K 1N2
Canada

Attention: James D. Scarlett

4. **Miscellaneous.**

- (a) The parties hereto acknowledge and agree that the Shareholder has no personal obligation or liability hereunder and has entered into this Agreement solely on behalf of the Trust. The parties hereto shall limit any claims hereunder to assets of the Trust and shall have no recourse to any personal assets of the Shareholder.
- (b) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements, commitments or understandings with respect to the matters provided for herein. This Agreement shall not be amended, altered, waived or modified except by an instrument in writing duly executed by each of the parties hereto. No course of dealing or the failure of any party to enforce any of the provisions of this Agreement shall in any way operate as a waiver of such provisions and shall not affect the right of such party thereafter to enforce each and every provision of this Agreement in accordance with its terms.
- (c) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective permitted successors and permitted assigns. This Agreement shall not be assignable by either party; provided that the Shareholder shall be permitted to assign this Agreement to a successor shareholder and trustee in accordance with Section 7(h) of the Trust Agreement.
- (d) If any part of any provision of this Agreement or any other agreement, document or writing given pursuant to or in connection with this Agreement shall be invalid or unenforceable under applicable law, said part shall be ineffective to the extent of such invalidity only, without in any way affecting the remaining provisions of this Agreement.

- (e) The headings of the sections of this Agreement are inserted for convenience of reference only and do not form a part or affect the meaning hereof.
 - (f) Any person having rights under any provision of this Agreement shall be entitled to enforce their rights under this Agreement specifically, to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights existing in their favor.
 - (g) This Agreement, the rights and obligations of the parties hereto, and any claims and disputes relating thereto, shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein (not including the choice of law rules thereof).
 - (h) This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall be deemed to be one and the same instrument.
5. **Certain Definitions.** For purposes of this Agreement:
- (a) "Act" has the meaning set forth in the preamble;
 - (b) "Agreement" has the meaning set forth in the preamble;
 - (c) "Business Day" means any day, other than a Saturday, Sunday or any other day observed as a civic or statutory holiday in London, England or Toronto, Ontario, on which commercial banks are generally open for business in London, England and Toronto, Ontario;
 - (d) "CIP" has the meaning set forth in the preamble;
 - (e) "Company" has the meaning set forth in the preamble;
 - (f) "Effective Date" has the meaning set forth in the preamble;
 - (g) "Exercise Notice" has the meaning set forth in Section 2;
 - (h) "Fund Raising" has the meaning set forth in Section 2;
 - (i) "Fund Raising Notice" has the meaning set forth in Section 2;
 - (j) "Group" means the Company and its Subsidiaries;
 - (k) "Indebtedness" means any borrowings or indebtedness (including, but not limited to acceptance credits, discounting or similar facilities, loan facilities, overdrafts, finance leases) but excluding (x) debt instruments such as notes, bonds, debentures; (y) borrowings or indebtedness allowed under the Senior Credit Facility and subscribed by members of the Senior Credit Facility syndicate; and (z) borrowings or indebtedness between members of the Group;
 - (l) "Offering" means the offer, sale, issue, transfer of any Securities or Indebtedness (or other transaction having similar effect) to any Person other than the Shareholder,

- (m) "Offering Terms" has the meaning set forth in Section 2;
- (n) "Person" means any individual, firm, body, corporate, association, partnership and company;
- (o) "ROFR" has the meaning set forth in Section 2;
- (p) "Securities" shall mean any shares or options, warrants or other securities or rights over or convertible or exchangeable into or exercisable for shares or common or preferred equity equivalents, notes, bonds, debentures, and any other instrument evidencing indebtedness;
- (q) "Senior Credit Facility" means the Group's senior secured credit facility in existence as of the date hereof, and as amended or replaced from time to time.
- (r) "Shareholder" has the meaning set forth in the preamble;
- (s) "Stock" has the meaning set forth in the preamble;
- (t) "Subscription Period" has the meaning set forth in Section 2;
- (u) "Subsidiary" and "Subsidiaries" means, with respect to the Company, any corporation, limited liability company, partnership, association or other business entity of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by the Company or one or more of the other Subsidiaries of the Company or a combination thereof, or (ii) if a limited liability company, partnership, association or other business entity, a majority of the limited liability company, partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by the Company or one or more Subsidiaries of the Company or a combination thereof. For purposes hereof, the Company shall be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity if the Company shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or control the managing director or general partner of such limited liability company, partnership, association or other business entity;
- (v) "Term" has the meaning set forth in Section 1;
- (w) "Transaction" has the meaning set forth in the preamble;
- (x) "Trust" has the meaning set forth in the preamble; and
- (y) "Trust Agreement" has the meaning set forth in the preamble.

NO FURTHER TEXT. EXECUTION PAGE FOLLOWS.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement or caused this Agreement to be duly executed on their behalf as of the date and year first hereinabove set forth.

Shareholder

Company

By: _____

By: _____

**APPENDIX “J”
BOARD MANDATE**

MANDATE OF THE BOARD OF DIRECTORS

March 29, 2007

1. AUTHORITY

- 1.1 The Board of Directors of the Corporation (the “Board”) is empowered by the *Canada Business Corporations Act* (the “CBCA”), and the Corporation’s articles and by-laws to manage, or supervise the management of, the business and affairs of the Corporation.

2. PURPOSE

- 2.1 The Corporation is owned by the shareholders. The objective of the Corporation is to conduct its business activities so as to enhance corporate profit and shareholder value. The primary responsibility of the Board is to foster the long-term success of the Corporation, consistent with the objective of enhancing shareholder value.

3. DIRECTOR QUALIFICATIONS

- 3.1 It is the policy of the Corporation that at least a majority of the members of the Board shall be independent. In determining whether a Director is independent, the Board applies the definition of “independence” as set out in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“NI 58-101”).
- 3.2 Pursuant to NI 58-101, a Director is considered independent if he or she has no direct or indirect material relationship with the Corporation. A “material relationship” is a relationship which could, in the view of the Corporation’s Board of Directors, be reasonably expected to interfere with the exercise of a Director’s independent judgment. Directors in the following six circumstances listed below are considered to have a “material relationship” with the Corporation:
- (1) the Director is or has been within the last three years an employee or executive officer of the Corporation or its subsidiaries;
 - (2) the Director’s immediate family member is or has been within the last three years an executive officer of the Corporation or its subsidiaries;
 - (3) the Director is a partner or employee of the current internal or external auditor of the Corporation or its subsidiaries, or was within the last three years a partner or employee of that firm and personally worked on the audit within that time;
 - (4) the Director’s spouse, minor child or stepchild, or child or stepchild who shares a home with the individual is a partner of the internal or external auditor of the Corporation or its subsidiaries, is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice, or was within the last three years a partner or employee of that firm and personally worked on the audit within that time;
 - (5) the Director, or an immediate family member of the Director, is, or has been within the last three years, an executive officer of an entity for whom any of the current executive officers of the Corporation or its subsidiaries serve, or served at that same time, on the entity’s compensation committee; or

- (6) the Director or the Director's immediate family member who is employed as an executive officer of the Corporation or its subsidiaries received more than \$75,000 per year in direct compensation from the Corporation or its subsidiaries during any 12-month period within the last three years;

provided, however, that a Director will not be considered to have a material relationship identified in paragraphs (1) through (6) above if the relationship ended before March 30, 2004 (in the case of a relationship with the Corporation) or before June 30, 2005 (in the case of a relationship with the Corporation's subsidiaries).

4. STRUCTURE

- 4.1 The by-laws of the Corporation (the "By-Laws") state that the Board shall consist of a minimum of five and a maximum of twenty Directors. With the assistance of the Corporate Governance Committee, the Board regularly examines its size to determine the impact of the number of Directors upon the effectiveness of the Board.
- 4.2 Acting upon the advice of the Corporate Governance Committee, the Board has the responsibility to nominate or appoint individuals as Directors. In addition to the eligibility requirements for Directors set out in the By-Laws and the CBCA, the Board has adopted, on the recommendation of the Corporate Governance Committee, selection criteria and desirable individual characteristics of candidates for nomination. In particular, the Board takes the following approach: (i) the Board considers the essential and desired skills and competencies of the Board as a whole and assesses the competencies and skills currently represented on the Board by the existing Directors; and (ii) based on that assessment, the Board considers the experience, skills, personality and other relevant characteristics that prospective nominees possess in relation to the existing Directors.
- 4.3 The Board recognizes the need to familiarize newly-elected Directors with the role and responsibilities of the Board as a whole and its Committees as well as their individual roles, responsibilities, legal obligations, expected commitment of time and energy as Directors. This includes ensuring that new Directors fully understand the nature and operation of the Corporation's business, the Corporation's vision, strategies and objectives, and the Corporation's policies and procedures, including this Board Mandate. New Directors are provided with an overview of the Corporation and its subsidiaries, normally by way of an orientation, which may consist of meetings with various senior managers to consider matters such as: the nature of the business and corporate structure of the Corporation; its strategic plans; Board procedures and the By-Laws; the Corporation's marketing strategies and products; operations and capital expenditure programs; financial planning strategies and corporate services; human resources strategies; new ventures, sales, products and services; and the Corporation's policies and procedures, including this Board Mandate, the Code of Business Conduct and Ethics and the Corporation's Disclosure Policy. New Directors are also briefed on potential liabilities arising from their role as a Director of the Corporation.
- 4.4 As a part of the continuing education of the Directors, presentations are made at Board meetings by senior and executive managers on new developments, products, and service offerings to keep the Directors informed of these matters. In addition, presentations are given to the Directors to update their knowledge of the Corporation's industry, technology, legal/regulatory framework and key executives. As well, Directors are provided with the opportunity to visit various facilities of the Corporation and to meet with corporate officers to discuss and better understand the business.
- 4.5 Each Director is nominated or may be re-nominated for election each year; there is no limit on the number of years a Director may serve on the Board.
- 4.6 Meeting frequency and location are determined from time to time by the Board. The Board establishes in advance a meeting schedule in its Board Forward Agenda.

- 4.7 The Corporate Governance Committee reviews Directors' compensation on an annual basis and makes recommendations to the Board. The President and CEO, and any other officer who is a Director and an employee of the Corporation or any of its subsidiaries, does not receive Director compensation.
- 4.8 On the advice of the Corporate Governance Committee, the Board shall establish an annual Board review process which has five components: an evaluation of the effectiveness of the Board as a whole; an evaluation of the performance of each individual Director; an evaluation of the Chair of the Board; an evaluation of the Chair of each Committee and an evaluation of the effectiveness of each of the Committees of the Board. This review process shall relate directly to the description of the duties and responsibilities of the Board and to the mandates of its Committees.
- 4.9 The Board shall hold regularly scheduled meetings at which members of management are not in attendance. The Board shall also hold in camera session at every meeting, where management is not present, including when executive compensation is discussed. The Board shall maintain a record of all decisions made during in camera sessions.
- 4.10 Committees
- 4.10.1 The Board shall operate with the following three standing committees (the "Committees"):
- (1) Audit Committee
 - (2) Corporate Governance Committee
 - (3) Compensation Committee
- The Board may, from time to time, establish additional committees of the Board at its discretion.
- 4.10.2 The Board shall establish general charters for all of its Committees as well as specific charters for each Committee. Each charter shall be reviewed periodically, and at least annually, by the Committees and may, based on recommendation from the applicable Committee, be amended by the Board as considered appropriate. Each Committee shall consist of three or more members and shall be composed entirely of Directors who are independent (as defined under NI 58-101). The CEO shall participate in meetings of Committees by invitation.
- 4.10.3 The Board shall develop clear position descriptions for the chair of each Committee.
- 4.10.4 To facilitate communication between the Board and its Committees, each Committee shall report annually to the Board regarding the performance of the Committee, by reviewing the performance of the Committee against its charter.
- 4.10.5 Committee members shall be appointed for one-year terms and may serve for any number of consecutive terms. In appointing members to a Committee, the Board shall seek to ensure continuity of membership on the Committee. However, the Board has no obligation to re-appoint a member of any Committee. Members of the Committees, including the Chair, can be removed from the Committee during the term of the member at the discretion of the Board.
- 4.11 Chair of the Board
- 4.11.1 The Chair shall be appointed by the Board for a one-year term and may serve any number of consecutive terms. The Chair of the Board is a non-executive officer position and shall be filled by a Director who is independent under NI 58-101. The positions of Chair of the Board and CEO shall be separate. The Board shall develop a clear position

description and performance expectations for the Chair and, with the assistance of the Corporate Governance Committee, shall evaluate the performance of the Chair on an annual basis based on the description and performance expectations.

- 4.11.2 The Chair is the presiding Board member. The Chair is responsible for ensuring that the Board functions effectively, efficiently and harmoniously. The Chair is responsible for ensuring excellent relationships between the Board, management, shareholders and other stakeholders.
- 4.11.3 The Chair's primary responsibility is to manage the Board of Directors and meetings of the Board. In addition, the Chair shall:
 - 4.11.3.1 in consultation with Executive Management, and subject to input from other Directors, establish the agenda for the meetings of the Board and direct that properly prepared agenda materials are circulated to Directors in sufficient time for study prior to the meeting;
 - 4.11.3.2 ensure that the Board has full oversight of the Corporation's business and affairs, and that the Board is aware of its obligations to the Corporation, shareholders, management and other stakeholders and under the law;
 - 4.11.3.3 provide leadership to the Board and arrange for it to review and monitor the aims, strategy, policy and directions of the Corporation and the achievement of its objectives;
 - 4.11.3.4 communicate with the Board to keep it up-to-date on major developments, and direct that the Board be provided with sufficient knowledge to permit it to make major decisions in a considered manner based on full information;
 - 4.11.3.5 chair all Board meetings, including sessions without management, and all shareholder meetings;
 - 4.11.3.6 attend Committee meetings where appropriate or otherwise at the request of the Committee chair;
 - 4.11.3.7 co-ordinate the frequency, agenda and information packages for all Committee meetings in conjunction with the Committee chairs;
 - 4.11.3.8 ensure that Board and Committee meetings are conducted in an efficient, effective and focused manner; and
 - 4.11.3.9 review and assess annually Director attendance, performance and compensation and the size and composition of the Board, all in conjunction with the Corporate Governance Committee and the other relevant Committees of the Board.

5. RESPONSIBILITIES AND EXPECTATIONS

- 5.1 The Board operates by delegating some of its authority, including certain spending authorizations, to management and by reserving other powers to itself. Subject to the CBCA, the By-Laws and the Articles of the Corporation, the Board retains the responsibility for managing its own affairs, including planning its composition, selecting its Chair, nominating candidates for election of the Board, appointing Committees and Committee chairs and determining Director compensation.

- 5.2 A Director's responsibility is that of a fiduciary and individually and collectively is founded in legal imperatives. In its fiduciary capacity, the Board is responsible for the stewardship of the Corporation and as such, is accountable for the success of the Corporation by taking responsibility for management.
- 5.3 Directors are expected to act in the highest ethical manner and with integrity in all personal, business and professional dealings. Directors are expected to prevent personal interests from conflicting with, or appearing to conflict with, the interests of the Corporation and must disclose the details of any conflict of interest as soon as they become aware of it. Directors must maintain the confidentiality of all Corporation information and Board deliberations.
- 5.4 Directors are expected to attend regularly scheduled meetings of the Board and of the shareholders and to have prepared for the meetings by reviewing, in advance of each meeting, the materials delivered in connection with the meeting and by seeking clarification or additional information, where required. The attendance record of individual Directors at meetings of the Board will be disclosed in the Company's management proxy circular, as required by applicable law. Directors are expected to vote on all matters requiring a decision of the Board or its Committees, except where a conflict of interests exists.
- 5.5 The Board has determined that the Corporation is to be managed by its senior executives and that the role of the Board is to oversee their performance. In general, this role consists of putting a successful corporate management team in place, overseeing corporate strategy and performance, acting as a resource for management in matters of planning and policy, and responsibility for effective shareholder communication.
- 5.6 The principal duties of the Board can be organized into six major categories as follows:
- 5.6.1 Selection of Management
- 5.6.1.1 The Board has the responsibility for the appointment and replacement of a Chief Executive Officer ("CEO"), for monitoring CEO performance, approving CEO compensation and providing advice and counsel to the CEO in the execution of his/her duties. In consultation with the CEO and the Compensation Committee, the Board has the responsibility for establishing or approving annual performance expectations and corporate goals and objectives for the CEO thereby developing clear position and performance expectations.
- 5.6.1.2 Acting upon the recommendation of the Compensation Committee, the Board has the responsibility for approving the appointment, replacement and remuneration of the CEO and Executive Management. Acting upon the advice of the CEO, and the recommendation of the Compensation and Audit Committees, the Board also has the responsibility for approving the appointment, replacement and remuneration of the CFO.
- 5.6.1.3 Acting upon the recommendation of the Compensation Committee, the Board has the responsibility for approving the Corporation's succession plans for Executive Management, including the appointment, training and monitoring of Executive Management.
- 5.6.1.4 The Board has the responsibility, to the extent feasible, of satisfying itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the Corporation.

5.6.2 Strategy Determination

- 5.6.2.1 The Board has the responsibility to adopt a strategic planning process;
- 5.6.2.2 The Board has the responsibility to review with management the mission of the business, its objectives and goals;
- 5.6.2.3 The Board has the responsibility to develop a depth of knowledge and understanding of the business, and to question the assumptions upon which the plans are based, and to reach an independent judgment as to whether the plans can be realized;
- 5.6.2.4 The Board has the responsibility to review, comment on, and if deemed appropriate, approve management's strategic and business plans, on both an annual and periodic basis, which should take into account, among other things, the opportunities and risks of the business;
- 5.6.2.5 The Board has the responsibility to review, and comment on, and if deemed appropriate, approve the Corporation's financial objectives, plans and actions including significant capital allocations, expenditures, and raising of capital;
- 5.6.2.6 The Board has the responsibility to review proposed acquisitions and divestitures;
- 5.6.2.7 The Board has the responsibility to act through its Chair as a sounding board for the CEO on transactions worth pursuing, issues during negotiations, preliminary pricing and management recommendations; and
- 5.6.2.8 The Board has the responsibility to oversee the due diligence process.

5.6.3 Monitoring and Acting

- 5.6.3.1 The Board has the responsibility to monitor corporate performance against strategic and business plans and oversee the operating results to evaluate whether the business is being properly managed;
- 5.6.3.2 The Board has the responsibility to review post-closing implementation and integration of acquisitions;
- 5.6.3.3 The Board has the responsibility to approve any payment of dividends;
- 5.6.3.4 The Board has the responsibility with the assistance of the Audit Committee, to monitor the implementation and integrity of the Corporation's disclosure controls and procedures and internal control and management information systems;
- 5.6.3.5 The Board has the responsibility to review and approve transactions in accordance with an internal schedule of authorizations recommended by the Audit Committee and approved by the Board;
- 5.6.3.6 The Board has the responsibility, with the assistance of the Audit Committee and Corporate Governance Committee, to oversee ethical corporate behavior and compliance with laws and regulations, auditing and accounting procedures, and the Corporation's corporate governance

processes, to ensure all corporate documents and records have been properly prepared, approved and maintained and, to the extent feasible, ensure that the CEO and senior officers foster a culture of integrity;

- 5.6.3.7 The Board has the responsibility, with the assistance of the Audit Committee, to oversee the implementation of the appropriate systems to identify, assess and manage the principal risks of the Corporation's business and operation and to review the effectiveness of such systems;
- 5.6.3.8 The Board has the responsibility with the assistance of the Compensation Committee, to periodically review the Corporation's approach to human resource management and executive compensation;
- 5.6.3.9 The Board has the responsibility to evaluate the Board's ability to act independently from management in fulfilling its duties; and
- 5.6.3.10 The Board has the responsibility with the assistance of its Committees, to manage the Board's own affairs and assess the Board's own effectiveness in fulfilling these and other Board responsibilities.

5.6.4 Policies and Procedures

- 5.6.4.1 With the assistance of the Corporate Governance and Audit Committees, the Board has the responsibility to adopt a Code of Business Conduct and Ethics applicable to all Directors, officers and employees;
- 5.6.4.2 With the assistance of the Audit and Corporate Governance Committees, the Board has the responsibility to adopt a disclosure policy for the Corporation that ensures timely and accurate disclosure of material information to analysts, shareholders, employees and the public that meets all applicable legal and regulatory requirements and guidelines;
- 5.6.4.3 The Board has the responsibility to review, on a regular basis, and, if necessary, approve material changes to, the policies and procedures that are in place with a view to operating at all times within applicable laws and regulations, and to the highest ethical and moral standards;
- 5.6.4.4 Acting upon the advice of the Corporate Governance Committee, the Board has the responsibility to review, on a periodic basis, corporate governance issues of the Corporation; and
- 5.6.4.5 The Board has the responsibility to approve and oversee the monitoring of compliance with all significant policies and procedures by which the Corporation is operated.

5.6.5 Shareholder Communications

- 5.6.5.1 With the assistance of the Audit Committee, the Board has the responsibility to direct and oversee the adequate reporting of the financial performance of the Corporation to shareholders, other securityholders and regulators on a timely and regular basis;
- 5.6.5.2 With the assistance of the Audit Committee, the Board has the responsibility to review and approve the financial results of the Corporation

and to ensure that they are reported fairly and in accordance with generally accepted accounting principles;

5.6.5.3 The Board has the responsibility to direct and oversee the timely reporting of any other developments that have a significant and material impact on the value of the Corporation;

5.6.5.4 The Board has the responsibility to report annually to shareholders on its stewardship for the preceding year;

5.6.5.5 The Board has the responsibility to attempt to ensure the fullest communications with the shareholders and to approve all proposals to be submitted to the shareholders, including nomination of Directors; and

5.6.5.6 The Board has the responsibility to direct that the Corporation put systems in place which accommodate feedback from shareholders, customers, employees and the community.

5.6.6 Shareholders and other stakeholders may communicate directly with Directors through the Chair of the Board by writing to:

Chair of the Board of Directors
Stratos Global Corporation
6901 Rockledge Drive
Suite 900, Bethesda, Maryland
United States, 20817

5.6.7 Legal Requirements

5.6.7.1 Policies and procedures shall be put in place and the Board shall oversee that legal requirements have been met, and documents and records have been properly prepared, approved and maintained.

5.6.7.2 Canadian law identifies the following legal requirements for the Board:

- a. to approve the annual financial statements and the management's discussion and analysis related thereto;
- b. to manage, or supervise the management of, the business and affairs of the Corporation;
- c. to act honestly and in good faith with a view to the best interests of the Corporation;
- d. to exercise the care, diligence and skill that reasonable prudent people would exercise in comparable circumstances;
- e. to act in accordance with its obligations contained in the Securities Act of each province and territory of Canada, other relevant legislation and regulations, and the CBCA, By-Laws, and Articles;
- f. in particular, it should be noted that the following matters must be considered by the Board as a whole and may not be delegated to a Committee:

- (i) any submission to the shareholders of a question or matter requiring the approval of the shareholders;
- (ii) the filling of a vacancy among the Directors or in the office of the external auditor;
- (iii) the manner and the terms for the issuance of securities;
- (iv) the declaration of dividends;
- (v) the purchase, redemption or any other form of acquisition of shares issued by the Corporation;
- (vi) the payment of a commission to any person in consideration of the purchase or agreement to purchase shares of the Corporation from the Corporation or from any other person, or procuring or agreeing to procure purchasers for any such shares;
- (vii) the approval of management proxy circulars;
- (viii) the approval of any take-over bid circular or Directors' circular;
- (ix) the approval of the financial statements of the Corporation; and
- (x) the adoption, amendment or repeal of By-Laws of the Corporation.

6. ACCESS TO INFORMATION AND PERSONNEL

- 6.1 In its discharge of the foregoing duties and responsibilities, the Board shall have free and unrestricted access at all times, either directly or through its duly appointed representatives, to officers of the Corporation and to the relevant books, records and systems of the Corporation as considered appropriate.

7. INDEPENDENT ADVICE

- 7.1 The Board shall have the authority to engage and terminate such independent counsel and other advisors as it may from time to time deem necessary or advisable for its purposes and to set and cause to be paid by the Corporation the compensation of any such counsel or advisors.

8. BOARD REVIEW OF MANDATE

- 8.1 With the assistance of the Corporate Governance Committee, the Board shall periodically review the adequacy of the Board's mandate and, as necessary, revise this mandate annually.

March 29, 2007

Please direct all inquiries to:

Questions and Further Assistance

If you have any questions about the information contained in this document or require assistance in completing your proxy form, please contact the proxy solicitation agent at:

Georgeson

100 University Avenue
11th Floor, South Tower
Toronto, Ontario
M5J 2Y1

North American Toll Free Number: 1-866-682-6144