

September 28, 2007

FILED ELECTRONICALLY WITH ECFS

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: Notice of Ex Parte Presentation

**In the Matter of Stratos Global Corporation and Robert M. Franklin, Trustee
WC Docket No. 07-73, DA 07-2257**

Dear Ms. Dortch:

Pursuant to Section 1.1206(b) of the Commission's Rules, 47 C.F.R. § 1.1206(b), this Notice of Ex Parte Presentation ("Notice") is being submitted on behalf of Stratos Global Corporation ("Stratos"), CIP Canada Investment Inc. ("CIP Canada"), and Inmarsat Finance III Limited ("Inmarsat Finance") in the above-referenced matter. On Thursday September 27, 2007, representatives for Stratos (Richard Harris, Bruce Henoeh, and Alfred Mamlet), Inmarsat Finance (Diane Cornell and John Janka), CIP Canada (Patricia Paoletta), met to discuss the above-referenced transfer of control application with the following members of the International Bureau and General Counsel's office: James Ball, James Bird, John Copes, Susan O'Connell, and David Strickland.

The attached materials (distributed at the meeting) and the parties' positions of record formed the basis for the discussion between Stratos, Inmarsat Finance, CIP Canada and the General Counsel and International Bureau staff. In addition, Stratos, Inmarsat Finance and CIP Canada also addressed questions from the General Counsel and International Bureau staff related to the transaction documents that have been submitted into the record of this proceeding.

Respectfully submitted,

/s/
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Counsel for Inmarsat Finance III Limited

Attachments

cc: James Ball (International Bureau) - by email
John Copes (International Bureau) - by email
Susan O'Connell (International Bureau) - by email
David Strickland (International Bureau) - by email
James Bird (Office of General Counsel) - by email

Examples of recent satellite industry transactions approved by delegated authority

1. Inceptum acquisition of Telenor (opposed)

Public Notice, DA 07-2163 (rel. May 23, 2007)

2. Skyterra acquisition of control of MSV

Motient/SkyTerra Comms., 21 FCC Rcd 10198 (2006)

3. SES acquisition of New Skies

Public Notice, DA 06-699 (rel. Mar. 29, 2006)

4. ORBIMAGE acquisition of Space Imaging LLC

Public Notice, DA 05-3291 (rel. Dec. 28, 2005)

5. Apollo acquisition of Hughes Network Systems (opposed)

Hughes Network Systems, Ltd., 20 FCC Rcd 8080 (2005)

6. Apollo *et al.* acquisition of Intelsat

Intelsat/Zeus Holdings, 19 FCC Rcd 24820 (2004)

7. Blackstone acquisition of New Skies

Public Notice, DA 04-3419 (rel. Oct. 27, 2004)

8. Carlyle *et al.* acquisition of PanAmSat

Public Notice, DA 04-2509 (rel. Aug. 11, 2004)

9. SES acquisition of GE Americom

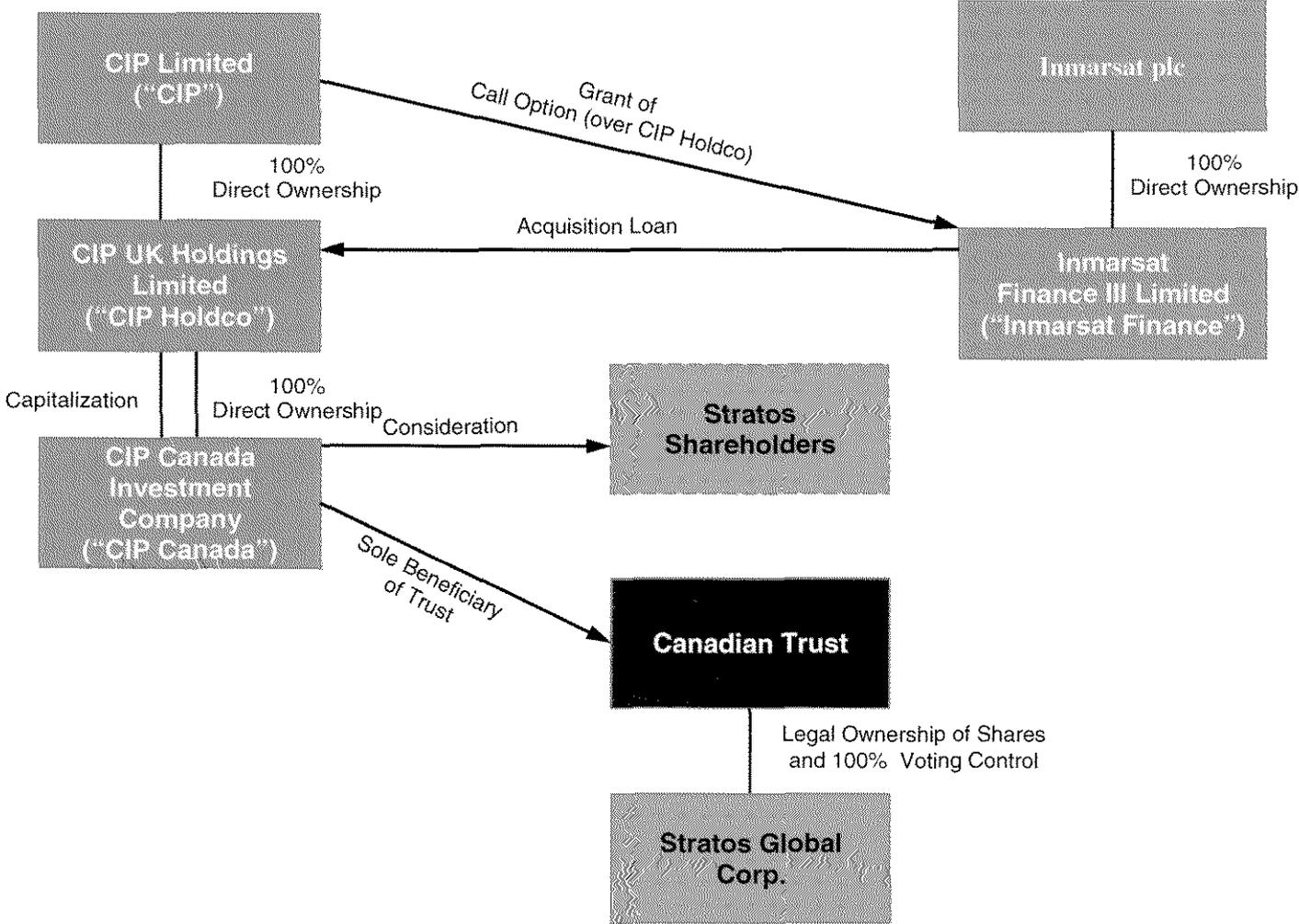
General Electric Capital Corp., 16 FCC Rcd 17575 (2001)

Application to Transfer Control of Stratos
to a Canadian Trust
WC Docket No. 07-73, DA 07-2257

Meeting with International Bureau
and Transactions Team
September 27, 2007



Stratos Shares Transferred to Trust



FCC Rules & Precedents Permit Trust

- Trust structure was chosen for independent business reasons, not regulatory considerations
- Rules and policy expressly permit trust to hold licenses like any other legal entity
 - E.g., §25.103
- Trusts not limited to tender offer or divestiture scenarios
 - E.g., *Leo One Corp.*, *Clifford Stanton Heinz Trust*
- Expected term of trust is less than 2 years

Trustee Will Control Stratos

- Trustee votes 100% of Stratos stock
- Trustee elects Stratos board
- Trustee's ability to replace Stratos board and management provides him with ultimate control
- Trustee is independent of CIP and Inmarsat
- Trust Agreement provides Trust is irrevocable
- Trustee cannot be replaced without independent determination of malfeasance, criminal conduct, wanton or willful neglect or incompetence
- Any successor Trustee requires FCC approval

Trust contains additional limitations that are not required by Commission precedent

- Prohibits communications regarding the operations or management of Stratos between (1) CIP or Inmarsat and (2) Trustee
- Prohibits *all communications* between (1) CIP or Inmarsat and (2) Stratos Board
 - Sole exception allows “ordinary course” communications between Stratos CEO (who also is a board member) and Inmarsat

Satellite Operators and Distributors Co-operate To Sell Services

- Stratos and Inmarsat have “ordinary course” communications covering:
 - Network operations - coordinate satellite and LES operations, quality improvement, customer support, new services and TT&C
 - Sales and Marketing - new services, value-added services, joint marketing programs
 - Finance - billing, accounting and financial reporting
 - Legal and Regulatory - contracts for services, licensing

Inmarsat Finance Would Not Have *De Facto* Control Over Stratos

- *De facto* control is the power to dominate corporate affairs
- Inmarsat has no ability to dominate Stratos with respect to *a single one* of the *Intermountain Microwave* criteria
 - No right to use facilities and equipment
 - No management of daily operations
 - No ability to decide or carry out policy decisions, including preparing FCC applications
 - No employing, supervising or dismissing personnel
 - No paying financial obligations, including expenses arising out of operations
 - No ability to extract money or profits from Stratos' operations

Inmarsat Would Have No Ability to Control Stratos

- Inmarsat is neither an equity holder of nor a lender to Stratos
- Inmarsat has no legal or contractual rights with Stratos by which it could exert control
- Inmarsat Finance's option with and loan to CIP are not relevant because CIP does not control Stratos
- The Commission has found that far greater means of influence do not convey control
 - Lockheed was allowed to have far greater rights *before* it was deemed to control COMSAT
 - 3 of 15 board seats (clear ability to talk with Board)
 - 49% equity ownership
 - Contractual obligation to require remaining 51%

This Transaction Will Not Create Precedent that Would Allow Others to Avoid FCC Scrutiny

- Commission can consider trust beneficiary under Section 310(b)(4)
- Commission requires disclosure of source of debt to facilitate public interest review
- Application and PN
 - detailed foreign ownership
 - highlighted financing to CIP provided by Inmarsat Finance
 - provided notice of CIP and Inmarsat roles in transaction

Approval of this Transaction Serves the Public Interest

- Stratos will continue to sell services that compete with Inmarsat
- No basis for assuming Stratos Board or management will abandon fiduciary duties that require them to maximize revenues and profits
- No showing that *consumers* could be harmed by this transaction
- No basis for *competitors'* concerns about “discrimination”
 - Stratos is a non-facilities-based reseller of Iridium and other MSS
 - Stratos has no ability to “lock-in” customers using Iridium or other MSS