

C-band Joint-Use Proposal Fact Sheet

Update on C-band NOI Proposal

Leading satellite companies Intelsat S.A. and SES S.A. announced alignment on the marketplace proposal to the United States Federal Communications Commission (FCC) concerning the 3700-4200 MHz C-band downlink spectrum first proposed by Intel and Intelsat. If adopted by the FCC, the proposal would establish a framework to allow the satellite operators to enable wireless operators to access this band speeding the deployment of next generation 5G services, while protecting the wide array of established satellite services. Indeed, the companies announced that approximately 100 MHz of nationwide spectrum in the U.S. would be cleared within 18 to 36 months from an FCC order.

Expanded Details of the C-band Joint-Use Proposal

Intelsat and SES began joint briefings to the FCC the week of February 5, 2018, providing additional details that address the complex issues that arise from clearing spectrum for joint-use with 5G wireless services. The proposal specifies, among other things:

- A Consortium of C-band FSS operators (“the Consortium”) will be established to clear and make quickly available nationwide, approximately 100 MHz of C-band downlink spectrum for licensed terrestrial mobile service on a market-by-market basis, while maintaining and protecting critical satellite services;
- Band reconfiguration/relocation costs will be covered for all affected parties (including earth station and fixed microwave operators), with the Consortium responsible for technical implementation to ensure quality and reliability of existing services in the band;
- The Consortium would serve as the sole interface to enter into secondary market agreements with terrestrial mobile service providers;
- The Consortium would be open to all C-band operators providing service to all or a portion of the lower 48 states pursuant to FCC-issued licenses or grants of market access;
- Any secondary market agreement will compensate C-band FSS operators for their prior investments in building the business and for future foregone business opportunity costs; and
- Proceeds received by the Consortium from any secondary market agreement would be allocated first to all eligible band reconfiguration and relocation costs.

This market-based proposal will make available a portion of C-band downlink spectrum approximately 1-3 years after FCC adoption of a Report and Order – far faster than other suggested regulatory approaches.

Why is this necessary?

The joint proposal, which was developed in response to the unique U.S. telecommunications environment, aims to protect the quality and reliability of the extensive services provided by satellite operators in 3700-4200 MHz C-band to U.S. broadcasters, media, and data companies. The proposal ensures the continued seamless distribution of video and audio programming to more than 100 million U.S. households, the reliable provision of critical data connectivity in rural areas and emergency situations, and the flawless delivery of government applications in the U.S.

The FCC has made identifying additional spectrum for 5G services a national priority. However, most of the proposals set forth for reallocating or implementing co-frequency sharing of spectrum are technically impractical or would take years to implement given the interests at stake. Our

market-based proposal, which addresses the unique regulatory environment in the U.S., protects the wide array of services being delivered in C-band, for which there is no other viable technical alternative, and provides an accelerated solution to enable 5G use of a portion of the C-band downlink.

Who will benefit?

- **Mobile operators** will have the opportunity to obtain expanded spectrum for the roll-out of 5G services.
- **Satellite operators and their customers** will have certainty regarding their investments in infrastructure based on C-band spectrum. Customers will have confidence that the quality of their satellite-based distribution will be protected, and that advertisers and viewers can continue to rely upon high-quality and reliable services.
- Ultimately, the **U.S. economy** will benefit as 5G networks are more rapidly deployed, providing growth for technology companies and the socio-economic benefits of a population that is connected to the most advanced mobile broadband infrastructure.

Are you suggesting that this proposal be adopted internationally?

No. Our proposal is “Made for America” in that it is designed to address the unique landscape and regulatory environment regarding C-band use in the United States. Much of the rest of the world has already made mid-band spectrum available to mobile services.

What are the technical challenges to making this a reality?

Satellite downlink transmissions must be protected from the interference that would be caused by terrestrial wireless signals in the same spectrum. The technical solutions to be implemented by the Consortium could include moving services and customers to another portion of the licensed C-band spectrum or relocating ground antennas. Clearing spectrum will result in significant cost to incumbent satellite operators, including the opportunity cost resulting from reduced utility of our satellites. Satellite operators must complete the technical assessment to clear spectrum to ensure that quality and reliability of our satellite services will not be compromised during joint-use.

Why is Intel involved? How will it benefit?

Along with many other technology companies, including Intelsat, Intel believes that the 5G era will encourage an explosion in the number of connected devices, with the total expected to run into the billions. Intel technology powers devices from the edge of the network to the cloud with industry leading hardware, software, security and services. As a technology leader, Intel continues to advocate policies that will enable consumers to benefit from innovations in technology. 5G has the potential to create new experiences in every part of our lives – from smart cars to connected homes and virtual reality to rich entertainment.

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