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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

In re:)
) Chapter 11
INTELSAT S.A., *et al.*,¹)
) Case No. 20-32299 (KLP)
)
Debtors.) (Jointly Administered)
)

**ORDER (A) AUTHORIZING AND APPROVING THE DEBTORS’
KEY EMPLOYEE INCENTIVE PLAN AND (B) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order (this “Order”), under sections 363(b) and 503(c)(3) of the Bankruptcy Code, (a) authorizing and approving the Debtors’ proposed key executive incentive plan (the “KEIP”), (b) authorizing the Debtors to make payments to certain management employees under the KEIP, (c) granting administrative expense priority status to all

¹ Due to the large number of Debtors in these chapter 11 cases, for which joint administration has been granted, a complete list of the Debtor entities and the last four digits of their federal tax identification numbers is not provided herein. A complete list may be obtained on the website of the Debtors’ claims and noticing agent at <https://cases.stretto.com/intelsat>. The location of the Debtors’ service address is: 7900 Tysons One Place, McLean, VA 22102.

² Capitalized terms used in this Order but not immediately defined have the meanings given to them in the Motion, or in the *Declaration of Justin Schmaltz in Support of the Debtors’ Motion for Entry of an Order (A) Authorizing and Approving the Debtors’ Key Employee Incentive Plan and (B) Granting Related Relief* (the “Schmaltz Declaration”), or in the *Debtors’ Reply in Support of the Debtors’ Motion for Entry of an Order (A) Authorizing and Approving the Debtors’ Key Employee Incentive Plan and (B) Granting Related Relief* (the “Reply Brief”), as applicable.

payment obligations of the Debtors under the KEIP, and (d) granting related relief, all as more fully set forth in the Motion; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Standing Order of Reference from the United States District Court for the Eastern District of Virginia*, dated August 15, 1984; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having considered the Motion, the Georgeson Declaration, the Schmaltz Declaration, the KEIP Objection, the Reply Brief, and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion, the Georgeson Declaration, the Schmaltz Declaration, and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY

ORDERED THAT:

1. The Motion is granted as set forth herein.
2. The KEIP is authorized and approved in its entirety; *provided* that the KEIP shall be modified as described herein.
 - a. The quarterly Stretch Performance Levels for Adjusted EBITDA shall be removed. Quarterly performance period payouts for Adjusted EBITDA shall be capped at the Target Performance Level, and the Adjusted EBITDA

performance for the purpose of the Stretch Performance Level shall be tested on a nine-month cumulative basis at the end of the fiscal year.

- b. The Cumulative Adjusted EBITDA Stretch Performance Level shall be increased from \$937.7 million to \$947.1 million.
- c. In the fourth quarter, the Compensation Committee shall affirm that, as of the end of the quarter, the Debtors are on track to achieve the milestones set in the FCC Transition Plan for the Company to earn the full amount of the Accelerated Relocation Payments.
- d. The fourth quarter “Target” customer migration goal shall be increased to require the migration of transponders for all customers scheduled through November 30, 2020 and two (2) of six (6) transponders for the six (6) Phase I grooming plan transition activities listed on 6.1.1. Table 1 of the Intelsat C-Band Clearing Transition Plan scheduled to be completed through December 31, 2020.
- e. The Debtors shall provide the Creditors’ Committee, the Intelsat Jackson Ad Hoc Group, the Intelsat Jackson Crossover Ad Hoc Group, and the ParentCo Creditors a report detailing actual performance results versus the Performance Levels and payout calculations by KEIP Participant seven (7) business days prior to paying any performance awards under the KEIP.
- f. The Debtors shall provide the Creditors’ Committee, the Intelsat Jackson Ad Hoc Group, the Intelsat Jackson Crossover Ad Hoc Group, and the ParentCo Creditors fourteen (14) days’ advance notice and details of terms of any incentive programs for 2021.

3. The Debtors are authorized, pursuant to sections 363(b), 363(c), and 503(c) of the Bankruptcy Code, to take all actions necessary to implement the KEIP on the terms and conditions set forth in the Motion, including making any payments that come due pursuant to the terms thereof during these chapter 11 cases and without the need for further Court approval.

4. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

5. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

6. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order.

7. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Dated: Jun 30 2020
Richmond, Virginia

/s/ Keith L. Phillips
United States Bankruptcy Judge

Entered on Docket: Jun 30 2020

WE ASK FOR THIS:

/s/ Jeremy Williams

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Peter J. Barrett (VA 46179)

Jeremy S. Williams (VA 77469)

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CERTIFICATION OF ENDORSEMENT
UNDER LOCAL BANKRUPTCY RULE 9022-1(C)

Pursuant to Local Bankruptcy Rule 9022-1(C), I hereby certify that the foregoing proposed order has been endorsed by or served upon all necessary parties.

/s/ Jeremy Williams