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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM S-8**  
**REGISTRATION STATEMENT**  
**UNDER**  
**THE SECURITIES ACT OF 1933**

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**Intelsat S.A.**

(Exact name of registrant as specified in its charter)

**Luxembourg**  
(State or Other Jurisdiction of  
Incorporation or Organization)

**98-1009418**  
(I.R.S. Employer  
Identification Number)

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**4, rue Albert Borschette, L-1246 Luxembourg**  
(Address of Principal Executive Offices, Including Zip Code)

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**Intelsat S.A. 2013 Equity Incentive Plan**  
**Intelsat S.A. Amended and Restated 2008 Share Incentive Plan**  
(Full title of the plan)

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**Michelle V. Bryan, Esq.**  
**Executive Vice President, General Counsel and Chief Administrative Officer**  
**Intelsat S.A.**  
**4, rue Albert Borschette**  
**L-1246 Luxembourg**  
**+352 27-84-1600**  
(Name, address, including zip code, and telephone number, including area code, of agent for service)

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*Copies to:*  
**John C. Kennedy, Esq.**  
**Raphael M. Russo, Esq.**  
**Paul, Weiss, Rifkind, Wharton & Garrison LLP**  
**1285 Avenue of the Americas**  
**New York, NY 10019-6064**  
**(212) 373-3000**

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer   
Non-accelerated filer  (Do not check if a smaller reporting company.) Smaller reporting company

**CALCULATION OF REGISTRATION FEE**

<b>Title of Securities to Be Registered</b>	<b>Amount to Be Registered (1)</b>	<b>Proposed Maximum Offering Price Per Share (4)</b>	<b>Proposed Maximum Aggregate Offering Price (4)</b>	<b>Amount of Registration Fee (4)</b>
Common shares, nominal value \$0.01 per share	8,611,972 shares (2)	N/A	N/A	N/A
Common shares, nominal value \$0.01 per share	10,000,000 shares (3)	N/A	N/A	N/A
<b>Total</b>	18,611,972 shares			N/A

- (1) Pursuant to Rule 416 promulgated under the Securities Act of 1933, as amended (the "Securities Act"), this Registration Statement shall be deemed to cover any additional securities to be offered or issued from stock splits, stock dividends or similar transactions.
- (2) Consists of common shares issuable in respect of awards granted, and to be granted, under the Intelsat S.A. Amended and Restated 2008 Share Incentive Plan.
- (3) Consists of common shares issuable in respect of awards granted, and to be granted, under the Intelsat S.A. 2013 Equity Incentive Plan.
- (4) Computed in accordance with Rule 457(h) promulgated under the Securities Act. Due to the fact that there is currently no market for the Registrant's common shares and that at the most recent practicable date prior to the filing of this Registration Statement the book value of the Registrant's common shares was negative, no filing fee has been submitted for the common shares registered pursuant to this Registration Statement.

## EXPLANATORY NOTE

*Except as the context otherwise requires, references to “we,” “our,” “us,” “Intelsat,” the “Company” and the “Registrant” are to Intelsat S.A. and its consolidated subsidiaries.*

Intelsat S.A. has prepared this Registration Statement in accordance with the requirements of Form S-8 under the Securities Act, as amended, to register 18,611,972 of its common shares, nominal value \$0.01 per share, which we refer to as the common shares, that are reserved for issuance in respect of awards granted, or in respect of awards to be granted, under the Intelsat S.A. Amended and Restated 2008 Share Incentive Plan, which we refer to as the 2008 Share Plan, and the Intelsat S.A. 2013 Equity Incentive Plan, which we refer to as the 2013 Equity Plan.

### PART I

#### INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

##### **Item 1. Plan Information.**

The document(s) containing the information specified in Part I of Form S-8 will be sent or given to participants in the 2008 Share Plan and the 2013 Equity Plan as specified by Rule 428(b)(1) under the Securities Act. Such documents are not being filed with the Securities and Exchange Commission (the “Commission”) but constitute, along with the documents incorporated by reference into this Registration Statement, a prospectus that meets the requirements of Section 10(a) of the Securities Act.

##### **Item 2. Registrant Information and Employee Plan Annual Information.**

We will furnish without charge to each person to whom the prospectus is delivered, upon the written or oral request of such person, a copy of any and all of the documents incorporated by reference in Item 3 of Part II of this Registration Statement, other than exhibits to such documents (unless such exhibits are specifically incorporated by reference to the information that is incorporated). Those documents are incorporated by reference in the Section 10(a) prospectus. Requests should be directed to Intelsat S.A., Attention: General Counsel, 4, rue Albert Borschette, L-1246 Luxembourg, telephone number: +352 27-84-1600.

### PART II

#### INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

##### **Item 3. Incorporation of Documents by Reference.**

The following documents filed with the Commission by us are incorporated by reference in this Registration Statement:

- (a) The Registrant’s Registration Statement on Form F-1, as amended (Registration No. 333-181527), initially filed with the Commission on May 18, 2012;
- (b) The description of the Registrant’s common shares set forth in the Registrant’s Registration Statement on Form 8-A filed pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), on April 15, 2013, and any amendment or report filed for the purpose of updating any such description; and
- (c) All other reports filed by the Registrant pursuant to Section 13(a) or 15(d) of the Exchange Act since the Registrant’s Registration Statement on Form F-1 referred to in (a) above.

In addition, all reports and documents filed by us pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act subsequent to the date hereof and prior to the filing of a post-effective amendment that indicate that all securities offered hereby have been sold or that deregisters all securities then remaining unsold shall be deemed to be incorporated by reference herein and made a part hereof from the date of filing of such documents.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained in this Registration Statement or in any other subsequently filed document that also is or is deemed to be incorporated by reference in this Registration Statement modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

**Item 4. Description of Securities.**

Not applicable.

**Item 5. Interests of Named Experts and Counsel.**

Not applicable.

**Item 6. Indemnification of Directors and Officers.**

Our articles of incorporation provide that our directors and officers and their heirs, executors and administrators will be indemnified and held harmless to the fullest extent permitted by Luxembourg law out of our assets for all actions, costs, charges, losses, damages and expenses they will or may incur or sustain by reason of any act done, concurred in or omitted to be done in the execution of their duties, other than in the case of their fraud or dishonesty. Our articles of incorporation also permit us to purchase and maintain insurance on behalf of a director or officer for any liability arising out of his or her actions as a director or officer of the Registrant or any direct or indirect subsidiary of the Registrant.

We maintain directors' and officers' insurance to protect our officers and directors from specified liabilities that may arise in the course of their service to us in those capacities. We also expect to enter into an indemnification agreement with each of our executive officers and directors that provides, in general, that we will indemnify them to the fullest extent permitted by law in connection with their service to us or on our behalf.

The forms of underwriting agreements filed as Exhibits 1.1 and 1.2 to our Registration Statement on Form F-1 (Registration No. 333-181527) also provide for indemnification of the Registrant and its directors and executive officers.

**Item 7. Exemption From Registration Claimed.**

Not applicable.

**Item 8. Exhibits.**

<u>Exhibit No.</u>	<u>Document Description</u>
3.1	Amended and Restated Articles of Incorporation of Intelsat S.A. (incorporated by reference to Exhibit 3.1 to Amendment No. 9 to the Registrant's Registration Statement on Form F-1 (Registration No. 333-181527), filed with the Commission on April 9, 2013).
5.1	Opinion of Elvinger, Hoss & Prussen as to the validity of the securities being offered.*
10.1	Intelsat S.A. Amended and Restated 2008 Share Incentive Plan.*
10.2	Intelsat S.A. 2013 Equity Incentive Plan.*
23.1	Consent of KPMG LLP.*
23.2	Consent of Elvinger, Hoss & Prussen (included in Exhibit 5.1).*
24.1	Powers of Attorney (included in signature pages).

\* Filed herewith.

## Item 9. Undertakings.

- a. The undersigned Registrant hereby undertakes:
1. To file, during any period in which offers or sales are being made pursuant to this Registration Statement, a post-effective amendment to this Registration Statement:
    - (i) To include any prospectus required by Section 10(a)(3) of the Securities Act;
    - (ii) To reflect in the prospectus any facts or events arising after the effective date of this Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which is registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in "Calculation of Registration Fee" table in the effective registration statement;
    - (iii) To include any material information with respect to the plan of distribution not previously disclosed in this Registration Statement or any material change to such information in this Registration Statement;  
*provided, however,* that paragraphs (i) and (ii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or 15(d) of the Exchange Act that are incorporated by reference in this Registration Statement.
  2. That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
  3. To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
- b. The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- c. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the provisions described under "Item 6—Indemnification of Directors and Officers," or otherwise, the Registrant has been advised that in the opinion of the Commission

such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

**SIGNATURES**

Pursuant to the requirements of the Securities Act, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Washington, D.C., on April 18, 2013.

INTELSAT S.A.

By: /s/ Michelle Bryan  
Name: Michelle Bryan  
Title: Executive Vice President, General Counsel and Chief Administrative Officer and Secretary

**POWER OF ATTORNEY**

KNOW ALL PERSONS BY THESE PRESENTS, that each individual whose signature appears below hereby constitutes and appoints each of Michelle Bryan, Michael McDonnell and Linda Bartlett, acting singly, his or her true and lawful agent, proxy and attorney-in-fact, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to (i) act on, sign and file with the SEC any and all amendments (including post-effective amendments) to this registration statement together with all schedules and exhibits thereto and any subsequent registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended, together with all schedules and exhibits thereto, (ii) act on, sign and file such certificates, instruments, agreements and other documents as may be necessary or appropriate in connection therewith, (iii) act on and file any supplement to any prospectus included in this registration statement or any such amendment or any subsequent registration statement filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended, and (iv) take any and all actions which may be necessary or appropriate in connection therewith, granting unto such agents, proxies and attorneys-in-fact, and each of them, full power and authority to do and perform each and every act and thing necessary or appropriate to be done, as fully for all intents and purposes as he or she might or could do in person, hereby approving, ratifying and confirming all that such agents, proxies and attorneys-in-fact or any of their substitutes may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities indicated on April 18, 2013.

<u>Signature</u>	<u>Title</u>
<u>/s/ David McGlade</u> David McGlade	Chief Executive Officer, Chairman and Director (Principal Executive Officer)
<u>/s/ Michael McDonnell</u> Michael McDonnell	Executive Vice President and Chief Financial Officer (Principal Financial Officer)
<u>/s/ Linda Bartlett</u> Linda Bartlett	Senior Vice President and Controller (Principal Accounting Officer)
<u>/s/ Raymond Svider</u> Raymond Svider	Director
<u>/s/ Justin Bateman</u> Justin Bateman	Director
<u>/s/ Egon Durban</u> Egon Durban	Director
<u>/s Denis Villafranca</u> Denis Villafranca	Director
<u>/s/ Edward Kangas</u> Edward Kangas	Director

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/s/ Simon Patterson Director  
Simon Patterson

/s/ Phillip Spector Director  
Phillip Spector

/s/ Linda Bartlett Authorized Representative in the United States  
Linda Bartlett



## EXHIBIT INDEX

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23.2	Consent of Elvinger, Hoss & Prussen (included in Exhibit 5.1).*
24.1	Powers of Attorney (included in signature pages)

\* Filed herewith.

ELVINGER, HOSS & PRUSSEN  
AVOCATS A LA COUR

To the Board of Directors  
of Intelsat S.A.

4, rue Albert Borschette  
L-1246 Luxembourg  
R.C.S. Luxembourg B 162.135

Luxembourg, 18 April 2013

O/Ref. : TH/CMA/th

Re : Intelsat S.A. - S-8 Registration Statement

Ladies and Gentlemen,

We are acting as Luxembourg counsel to Intelsat S.A., a *société anonyme* incorporated under the laws of Luxembourg, having its registered office at 4 rue Albert Borschette, L-1246 Luxembourg, and registered with the *Registre de Commerce et des Sociétés* under number R.C.S. Luxembourg: B162.135, (the "Company") in connection with the Registration Statement on Form S-8 filed (the "Registration Statement") with the Securities and Exchange Commission under the U.S. Securities Act of 1933, as amended, in relation to common shares of the Company as may be issued pursuant to the Intelsat S.A. 2013 Equity Incentive Plan for up to 10,000,000 common shares of the Company (the "2013 Equity Plan") and the Intelsat S.A. Amended and Restated 2008 Share Incentive Plan for up to 8,611,972 common shares of the Company (the "2008 Plan") and together with the 2013 Equity Plan, the "Plans") and have been asked by the Company to issue the current legal opinion in connection with the up to 18,611,972 common shares of the Company which may be issued pursuant to the Plans (the "Plan Shares").

We have reviewed, relied on and assumed the effectiveness and completeness of, (i) the consolidated articles of incorporation of the Company as amended and restated pursuant to the relevant Decisions (the "Restated Articles"), (ii) the notarial deeds recording the incorporation of the Company on 8 July 2011, the minutes of the extraordinary decision

2, place Winston Churchill – B.P. 425 – L 2014 Luxembourg – T (352) 44 66 44 0 – F (352) 44 22 55 – www.ehp.lu

of the sole shareholder of 23 March 2012, the decisions of the board delegate of 30 March 2012, and part of the minutes of the general meeting of shareholders of the Company held on 16 April 2013 respectively and the related documents, (iii) the minutes under private seal recording part of the general meeting of shareholders of the Company held on 16 April 2013, (iv) the resolutions of the Board of Directors of the Company of 2 April 2013 on inter alia the Plans as certified by the Company, the Plans and the issuance of the Plan Shares (the "Board Resolutions"), (v) the signed resolutions of the pricing committee of the Company dated 17 April 2013 and the decisions of the delegates of the Board of Directors of the Company dated 17 April 2013 (together with the Board Resolutions, the "Decisions"), (vi) the Plans and (vii) the Registration Statement and (vii) such corporate records as have been disclosed to us and the factual matters contained in certifications made to us or contained in the document reviewed, which we deemed necessary and appropriate as a basis for the opinions hereinafter expressed.

We have assumed for the purposes hereof that the Company will at all times continue to have a sufficient authorised unissued share capital and sufficient authorised unissued common shares with the relevant waivers in force, and that the Company will at all times have sufficient available reserves, to issue the common shares to be issued under the Plans all or partially as the case may be by way of incorporation of available reserves into the issued share capital. We further assume that the board of directors or its duly authorised delegates will duly pass the relevant resolutions for the issue of the Plan Shares (including all or partially as the case may be by way of incorporation of available reserves into the issued share capital), in accordance with the Restated Articles, the terms of the Plans, the Decisions and applicable law.

For the purposes of the present opinion we have assumed (i) the genuineness of all signatures and seals and that all documents reviewed are duly signed by the persons purported to have signed them; (ii) the completeness and conformity to originals of all documents supplied to us as certified, photostatic, scanned, electronically transmitted copies or other copies of the documents reviewed and the authenticity of the originals of such documents and the conformity to originals of the latest drafts reviewed by us; (iii) that there have been no amendments to the documents in the form delivered to us for the purposes of this opinion; (iv) that there is no other resolutions, decisions, agreement or undertaking and no other arrangement (whether legally binding or not) which renders any of the documents or information reviewed or provided to us inaccurate, incomplete or misleading or which affects the conclusions stated in this opinion and that the

documents reviewed accurately record the whole of the terms agreed between the parties thereto relevant to this opinion; (v) that no proceedings have been instituted or injunction granted against the Company to restrain it from performing any of its obligations under the Plans and/or issue the Plan Shares; (vi) that the terms used in the documents reviewed carry the meaning ascribed to them in vernacular English; (vii) that upon issue of any Plan Shares the Company will receive payment in cash of an issue price at least equal to the nominal value thereof or that the relevant Plan Shares will be issued by way of incorporation of available reserves into the issued share capital; (viii) that there will be no amendments to the authorised share capital of the Company which would adversely affect the issue of the Plan Shares and the conclusions stated in this opinion and (ix) that on the date of issuance of any of the Plan Shares the Company will have a sufficient authorised but unissued share capital with the relevant authorisation to waive any pre-emptive subscription rights.

We express no opinion as to any laws other than the laws of the Grand Duchy of Luxembourg and this opinion is to be construed under Luxembourg law and is subject to the exclusive jurisdiction of the courts of Luxembourg.

The opinions expressed herein are subject to all limitations by reason of *gestion contrôlée, concordat, faillite*, bankruptcy, moratorium (*sursis de paiement*) and other, insolvency, moratorium, controlled management, general settlement with creditors, reorganisation or similar laws affecting creditors' rights generally.

Based on the foregoing, and having regard for such legal considerations as we have deemed relevant, we are of the opinion that:

The Plan Shares, once duly subscribed to and fully paid and issued in accordance with the relevant Decisions, the Restated Articles, the respective Plan and applicable law will be validly issued, fully paid and non assessable (which term means when used herein that no further sums are required to be paid by the holders thereof in connection with the issue of such shares).

This opinion is issued solely for the purposes of the filing of the Registration Statement and the issuance of the Plan Shares by the Company pursuant to the Plans and is not to be relied upon in respect of any other matter.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement. In giving such consent we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the U.S. Securities Act of 1933, as amended.

Very truly yours,

Elvinger, Hoss & Prussen

/s/ Toinon Hoss

- 4 -

**INTELSAT S.A.**  
**AMENDED AND RESTATED**  
**2008 SHARE INCENTIVE PLAN**

**1. Establishment, Purpose and Types of Awards**

Intelsat S.A. (formerly known as Intelsat Global Holdings S.A. and referred to herein as the “Company”) hereby establishes the Intelsat S.A. Amended and Restated 2008 Share Incentive Plan (the “Plan”). The purpose of the Plan is to promote the long-term growth and profitability of the Company by (i) providing incentives to improve shareholder value and to contribute to the growth and financial success of the Company, and (ii) enabling the Company and its Subsidiaries to attract, retain and reward the best available persons for positions of substantial responsibility.

The Plan permits the granting of Awards in the form of Incentive Share Options, Nonqualified Share Options, Restricted Shares, Restricted Share Units, Share Appreciation Rights, Phantom Shares and Performance Awards in each case as such term is defined below, and any combination of the foregoing.

The Plan was assumed by the Company from Intelsat Global, Ltd. (formerly known as Serafina Holdings Limited) on March 30, 2012. The Plan was originally adopted on February 1, 2008 (effective February 4, 2008), amended and restated as of May 6, 2009, amended on March 30, 2012 and amended and restated as of April 18, 2013. As of April 18, 2013 no new Awards may be issued under the Plan; it being understood that Awards relating to the termination of the Company’s Unallocated Bonus Plan (the “Unallocated Bonus Plan Awards”) and the anti-dilution provisions of the letter agreements between the Company and certain Participants, each dated May 6, 2009, ancillary to the Management Shareholders Agreement (the “Anti-Dilution Awards”), shall be granted and effective as of the same date.

**2. Definitions**

Under this Plan, except where the context otherwise indicates, the following definitions apply:

(a) “*Affiliate*” and “*Associate*” shall have the meanings contemplated by Rule 12b-2 of the Exchange Act (or any successor rule).

(b) “*Applicable Exchange*” means a securities exchange, the Nasdaq Stock Market or a similar exchange or market.

(c) “*Awards*” shall mean Incentive Share Options, Nonqualified Share Options, Restricted Shares, Restricted Share Units, Share Appreciation Rights, Phantom Shares and Performance Awards and any combination of the foregoing.

(d) “*BC Investors*” shall have the meaning set forth in the Management Shareholders Agreement.

(e) “*Board*” shall mean the Board of Directors of the Company.

(f) “Cause” means, unless otherwise provided in a Grant Agreement, (i) “Cause” as defined in any Individual Agreement to which the applicable Participant is a party as of the date of grant of an applicable Award, or (ii) if there is no such Individual Agreement or if it does not define Cause: (A) conviction of the Participant for committing a felony under federal law or the law of the state in which such action occurred, (B) dishonesty in the course of fulfilling the Participant’s employment duties, (C) willful and deliberate failure on the part of the Participant to perform such Participant’s employment duties in any material respect, or (D) before a Change in Control, such other events as shall be determined by the Committee.

(g) “Change in Control” shall mean (i) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act), other than any Permitted Holder (or any person or group that is an Affiliate or associate of a Permitted Holder), of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of more than 50%, indirectly or directly, of the voting securities of the Company (other than any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any of its Subsidiaries) or (ii) consummation of an amalgamation, a merger or consolidation of the Company or any direct or indirect Subsidiary thereof with any other entity or a sale or other disposition of all or substantially all of the assets of the Company following which the voting securities of the Company that are outstanding immediately prior to such transaction cease to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity (or the entity that owns substantially all of the Company’s assets either directly or through one or more subsidiaries) or any Parent or other Affiliate thereof) at least 50% of the combined voting power of the securities of the Company or, if the Company is not the surviving entity, such surviving entity (or the entity that owns substantially all of the Company’s assets either directly or through one or more subsidiaries) or any Parent or other Affiliate thereof, outstanding immediately after such transaction, except that no Change of Control shall occur under this clause (ii) if such amalgamation, merger or consolidation is with any of those certain Person(s) described in the resolutions of the Compensation Committee of the Board dated December 29, 2008.

(h) “Closing” shall have the meaning set forth in the Share Purchase Agreement.

(i) “Closing Date” shall have the meaning set forth in the Share Purchase Agreement.

(j) “Code” shall mean the United States Internal Revenue Code of 1986, as amended, and any regulations issued thereunder.

(k) “Committee” shall mean the Board or a committee of the Board appointed pursuant to Section 3 of the Plan to administer the Plan.

(l) “Disability” means (i) “Disability” as defined in any Individual Agreement to which the Participant is a party as of the date of grant of an applicable Award, (ii) if there is no such Individual Agreement or it does not define “Disability,” (A) permanent and total disability as determined under the Company’s long-term disability plan applicable to the Participant, or (B) if there is no such plan applicable to the Participant, “Disability” as determined by the Committee.

(m) “*Disaffiliation*” means a Subsidiary of the Company ceasing to be a Subsidiary for any reason (including, without limitation, as a result of a public offering, or a spinoff or sale by the Company, of the shares of the Subsidiary) or a sale of a division of the Company.

(n) “*Exchange Act*” shall mean the U.S. Securities Exchange Act of 1934, as amended from time to time.

(o) “*Fair Market Value*” shall mean (i) if the Shares are traded on an Applicable Exchange, the closing sales price of the Shares reported on such Applicable Exchange on the relevant date, or, if there is no such sale on that date, then on the last preceding date on which such a sale was reported; or (ii) if the Shares are not traded on an Applicable Exchange on such date, the fair market value as determined in good faith by the Committee.

(p) “*Grant Agreement*” shall mean a written or electronic agreement (which may include an Individual Agreement) between the Company and a grantee memorializing the terms and conditions of an Award granted pursuant to the Plan.

(q) “*Grant Date*” shall mean the date on which the Committee acts to grant an Award to a grantee or such other date as the Committee shall so designate at the time of taking such action.

(r) “*Incentive Share Options*” shall mean Share Options that meet the requirements of Code Section 422.

(s) “*Individual Agreement*” means an employment, consulting or similar agreement between a Participant and the Company and/or one of its Subsidiaries, entered into on or after February 4, 2008.

(t) “*Initial Public Offering*” means the initial public offering of the Company’s common shares registered under a Registration Statement on Form F-1 (File No. 333-181527).

(u) “*Investor Group*” shall mean the BC Investors and Silver Lake.

(v) “*Investor*” shall mean each member of the Investor Group.

(w) “*Management Group*” shall mean the group consisting of the directors, executive officers and other management personnel of the Company or any Parent of the Company, as the case may be, on April 18, 2013 together with (i) any new directors whose election by such boards of directors or whose nomination for election by the shareholders of the Company or any Parent of the Company, as applicable, was approved by a vote of a majority of the directors of the Company, then still in office who were either directors on April 18, 2013 or whose election or nomination was previously so approved and (ii) executive officers and other management personnel of the Company hired at a time when the directors on the Closing Date together with the directors so approved constituted a majority of the directors of the Company.

(x) “*Management Shareholders Agreement*” shall mean that certain Management Shareholders Agreement by and among the Company, the Investors and the other shareholders named therein dated as of February 4, 2008, as amended from time to time.



(y) “*Nonqualified Share Options*” shall mean Share Options that do not meet the requirements of Code Section 422.

(z) “*Parent*” shall mean, with respect to any Person, any other Person of which such Person is a direct or indirect Subsidiary.

(aa) “*Participant*” shall mean a prospective or actual director, officer or full-time or part-time employee of the Company or any Subsidiary of the Company, who is granted an Award under the Plan.

(bb) “*Performance Award*” shall mean an Award under Section 9 hereof.

(cc) “*Performance Measure*” shall mean the following performance measures selected by the Committee to measure performance of the Company or any Subsidiary or other business division of same for a Performance Period, whether in absolute or relative terms: basic or diluted earnings per share; earnings per share growth; revenue; operating income; net income (either before or after taxes); earnings and/or net income before interest and taxes; earnings and/or net income before interest, taxes, depreciation and amortization; Consolidated EBITDA (as such term or similar term is used in the debt instruments of the Company or its Subsidiaries); return on capital; return on equity; return on assets; net cash provided by operations; free cash flow; backlog; share price; economic profit; economic value; total shareholder return; gross margins, and/or costs, and such other performance measures as may be selected by the Committee.

(dd) “*Performance Period*” means a period over which the achievement of targets for Performance Measures is determined.

(ee) “*Permitted Holder*” shall mean (i) an Investor or an Affiliate of an Investor, (ii) the Management Group, (iii) a Person or group that was an Affiliate of the Company immediately prior to the acquisition in question, or (iv) any Person or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) the members of which include any of the Permitted Holders specified in clauses (i), (ii) and/or (iii) above and that (directly or indirectly) hold or acquire beneficial ownership of the voting securities of the Company (a “Permitted Holder Group”), so long as no Person or other “group” (other than Permitted Holders specified in clauses (i) - (iii) above) owns of record more than 50% on a fully diluted basis of the voting securities held by such Permitted Holder Group. Any one or more Persons or groups whose acquisition of beneficial ownership constitutes a Change of Control in respect of which a Change of Control Offer, as defined in the Indenture governing Intelsat Jackson Holdings S.A.’s 7 1/2 % Senior Notes Due April 2021, is made in accordance with the requirements of such indenture will thereafter, together with its (or their) Affiliates, constitute an additional Permitted Holder or Permitted Holders, as applicable.

(ff) “*Person*” shall mean an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, governmental authority or other entity of whatever nature.

(gg) “*Phantom Shares*” shall mean Awards under Section 8(e).

(hh) “*Restricted Shares*” and “*Restricted Share Units*” shall mean Awards under Section 7.

(ii) “*Rollover Awards*” shall mean all “rollover” Class A Restricted Shares and “rollover” Options originally awarded pursuant to the Intelsat Holdings, Ltd. 2005 Share Incentive Plan, as amended, which effective as of May 6, 2009 have been governed solely by the Plan and/or the applicable Grant Agreement hereunder.

(jj) “*Rule 16b-3*” shall mean Rule 16b-3 as in effect under the Exchange Act on the effective date of the Plan, or any successor provision prescribing conditions necessary to exempt the issuance of securities under the Plan (and further transactions in such securities) from Section 16(b) of the Exchange Act, or any successor provision.

(kk) “*Securities Act*” shall mean the U.S. Securities Act of 1933, as amended.

(ll) “*Shares*” shall mean the common shares of the Company, nominal value U.S. \$0.01 per share (and any stock or other securities into which such common shares may be converted or into which they may be exchanged).

(mm) “*Share Option*” shall mean a Nonqualified Share Option or an Incentive Share Option.

(nn) “*Share Purchase Agreement*” shall mean that certain Share Purchase Agreement dated as of June 19, 2007, by and among Intelsat Global, Ltd. and Serafina Acquisition Limited, a Bermuda exempted company, Intelsat Holdings, Ltd., a Bermuda company, and the shareholders signatory thereto.

(oo) “*Share Appreciation Rights*” shall mean Awards under Section 8(a) to (d).

(pp) “*Silver Lake*” shall have the meaning set forth in the Management Shareholders Agreement.

(qq) “*Subsidiary*” and “*Subsidiaries*” shall mean any corporation, partnership, joint venture or other entity during any period in which at least a 50% voting, equity or profits interest is owned, directly or indirectly, by the Company or any successor to the Company.

(rr) “*Termination of Employment*” means the termination of the applicable Participant’s employment with, or performance of services for, the Company and any of its Subsidiaries provided that in each case such “Termination of Employment” constitutes a “separation from service” within the meaning of Treasury Regulation Section 1.409A-1(h). Unless otherwise determined by the Committee, if a Participant’s employment with the Company and its Subsidiaries terminates but such Participant continues to provide services to the Company and its Subsidiaries in a non-employee capacity, such change in status shall not be deemed a Termination of Employment. Unless otherwise determined by the Committee, a Participant employed by, or performing services for, a Subsidiary or a division of the Company and its Subsidiaries shall be deemed to incur a Termination of Employment if, as a result of a Disaffiliation, such Subsidiary, or division ceases to be a Subsidiary or division, as the case may be, and the Participant does not immediately hereafter become an employee of, or service

provider for, the Company or another Subsidiary. Temporary absences from employment because of illness, vacation or leave of absence and transfers among the Company and its Subsidiaries shall not be considered Terminations of Employment.

### 3. Administration

(a) *Procedure.* The Plan shall be administered by the Board. In the alternative, the Board may delegate authority to the Compensation Committee of the Board to administer the Plan on behalf of the Board or such other Committee as the Compensation Committee may designate, subject to such terms and conditions as the Board may prescribe. Following such time as any Shares are registered under Section 12(b) or 12(g) of the Exchange Act, and subject to any applicable transition rules, such Committee shall consist of not less than two (2) members of the Board (or such greater number as may be required by applicable law or the rules of an Applicable Exchange), each of whom shall be a “non-employee director” within the meaning of Rule 16b-3 or any successor rule or similar import, and an “outside director” within the meaning of Code Section 162(m) and the regulations promulgated thereunder and, to the extent required by an Applicable Exchange, an “outside director” within the meaning of such Applicable Exchange. The Board may delegate to such Committee any or all of its duties and powers under the Plan. The Committee shall continue to administer the Plan on behalf of the Board until otherwise directed by the Board.

(b) *Secondary Committees and Sub-Plans.* The Board may, in its sole discretion, bifurcate the duties and powers of the Committee by establishing one or more secondary Committees to which certain duties and powers of the Board hereunder are delegated (each of which shall be regarded as a “Committee” under the Plan with respect to such duties and powers), or delegate all of its duties and powers hereunder to a single Committee. Additionally, if permitted by applicable law, the Board or Committee may delegate any or all of its duties and powers hereunder to the Chief Executive Officer and/or to other senior officers of the Company subject to such conditions and limitations as the Board or Committee shall prescribe. However, only the Committee described under Section 3(a) may designate and grant Awards to Participants who are subject to Section 16 of the Exchange Act. The Committee shall also have the power to establish sub-plans (which may be included as appendices to the Plan or the respective Grant Agreements), which may constitute separate schemes, for the purpose of establishing schemes which meet any special tax or regulatory requirements of countries other than the United States. Any such interpretations, rules, administration and sub-plans shall be consistent with the basic purposes of the Plan.

(c) *Powers of the Committee.* The Committee shall have all the powers vested in it by the terms of the Plan, such powers to include authority, in its sole and absolute discretion, to grant Awards under the Plan, prescribe Grant Agreements evidencing such Awards and establish programs for granting Awards. The Committee shall have full power and authority to take all other actions necessary to carry out the purpose and intent of the Plan, including, but not limited to, the authority to:

- (i) determine the Participants to whom, and the time or times at which Awards shall be granted;

- (ii) determine the types of Awards to be granted;
- (iii) determine the number of Shares and/or amount of cash to be covered by or used for reference purposes for each Award;
- (iv) to determine the terms and conditions of each Award granted hereunder, based on such factors as the Committee shall determine, including without limitation establishing in its discretion performance criteria that must be satisfied before an Award vests and/or becomes payable, the term during which an Award is exercisable, and the period, if any, following a grantee's Termination of Employment with the Company or any of its Subsidiaries during which the Award shall remain exercisable;
- (v) subject to Section 13, to modify, amend or adjust the terms and conditions of any Award, at any time or from time to time;
- (vi) to adopt, alter and repeal such administrative rules, guidelines and practices governing the Plan as it shall from time to time deem advisable;
- (vii) to interpret the terms and provisions of the Plan and any Award issued under the Plan (and any agreement relating thereto);
- (viii) to establish any "blackout" period that the Committee in its sole discretion deems necessary or advisable;
- (ix) to otherwise administer the Plan;
- (x) accelerate the time in which an Award may be exercised or in which an Award becomes payable and waive or accelerate the lapse, in whole or in part, of any restriction or condition with respect to an Award;
- (xi) establish objectives and conditions, including targets for Performance Measures, if any, for earning Awards and determining whether Awards will be paid after the end of a Performance Period; and
- (xii) subject to the provisions of Section 409A of the Code, permit the deferral of, or require a Participant to defer such Participant's receipt of, the delivery of Shares and/or cash under an Award that would otherwise be due to such Participant and establish rules and procedures for such payment deferrals.

The Committee shall have full power and authority to administer and interpret the Plan and to adopt such rules, regulations, agreements, guidelines and instruments for the administration of the Plan as the Committee deems necessary, desirable or appropriate in accordance with the Company's Articles of Incorporation.

(d) *Limited Liability.* To the maximum extent permitted by law, no member of the Board or Committee or its delegate shall be liable for any action taken or decision made in good faith relating to the Plan or any Award thereunder.

(e) *Indemnification.* The members of the Board and Committee and any delegate shall be indemnified by the Company in respect of all their activities under the Plan in accordance with the procedures and terms and conditions set forth in the Company's Articles of Incorporation. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's Memorandum of Association, as a matter of law, or otherwise.

(f) *Effect of Committee's Decision.* All actions taken and decisions and determinations made by the Committee or a delegate on all matters relating to the Plan pursuant to the powers vested in it hereunder shall be in the Committee's or its delegate's sole and absolute discretion and, except as may be otherwise provided in any Grant Agreement, shall be conclusive and binding on all parties concerned, including the Company, its shareholders, any Participants in the Plan and any other employee of the Company, and their respective successors in interest.

(g) *Grant Agreements.* The terms and conditions of each Award, as determined by the Committee, shall be set forth in a written Grant Agreement, which shall be delivered to the Participant receiving such Award upon, or as promptly as is reasonably practicable following, the grant of such Award. The effectiveness of an Award shall be subject to the Grant Agreement's being signed by the Company and/or the Participant receiving the Award unless specifically so provided by the Committee. Grant Agreements may be amended only in accordance with Section 13 hereof.

#### **4. Shares Available Under the Plan**

(a) Subject to Section 4(b) and to the adjustments as provided in Section 12 of the Plan, the aggregate number of Shares that may be delivered or purchased or used for reference purposes (with respect to Share Appreciation Rights or Phantom Shares) with respect to Awards granted under the Plan, including with respect to Incentive Share Options, shall not exceed an aggregate of 4,047,290.51, plus an aggregate of 2,423,160 Shares that may be delivered or purchased with respect to the Anti-Dilution Awards. Except as set forth in Section 4(b): (i) if any Award, or portion of an Award, issued under the Plan, expires or terminates unexercised, becomes unexercisable or is forfeited or otherwise terminated, surrendered or canceled as to any Shares without the delivery by the Company (or, in the case of Restricted Shares, without vesting) of Shares or if any Award is settled in cash and not in Shares, the Shares subject to such Award shall thereafter be available for further Awards under the Plan; (ii) if the exercise price of any Share Option and/or the tax withholding obligations relating to any Award are satisfied by delivering Shares to the Company (by either actual delivery or by attestation), only the number of Shares issued net of the Shares delivered or attested to shall be deemed delivered for purposes of the limits set forth in this Section 4(a); and (iii) to the extent any Shares subject to an Award are withheld to satisfy the exercise price (in the case of a Share Option) and/or the tax withholding obligations relating to such Award, such Shares shall not be deemed to have been delivered for purposes of the limits set forth in this Section 4(a).

(b) Notwithstanding Section 4(a) and subject to the adjustments as provided in Section 12 of the Plan, an additional 2,141,520.54 Shares shall be available for issuance under the Plan pursuant to the exercise or vesting of Rollover Awards. Notwithstanding Section 4(a): (i)

no Shares subject to any Rollover Award, or portion of a Rollover Award, that expires or terminates unexercised, becomes unexercisable or is forfeited or otherwise terminated, surrendered or canceled as to any Shares without the delivery by the Company (or, in the case of Restricted Shares, without vesting) of Shares or settled in cash and not in Shares, (whether on, prior to or following the date of this Amendment and Restatement of the Plan) shall thereafter be available for further Awards under the Plan; (ii) if the exercise price of any Rollover Award and/or the tax withholding obligations relating to any Rollover Award (whether on, prior to or following the date of this Amendment and Restatement of the Plan) are satisfied by delivering Shares to the Company (by either actual delivery or by attestation), all Shares subject to such Rollover Award shall be deemed delivered for purposes of the limits set forth in this Section 4(b); and (iii) to the extent any Shares subject to a Rollover Award are withheld to satisfy the exercise price and/or the tax withholding obligations relating to such Rollover Award (whether on, prior to or following the date of this Amendment and Restatement of the Plan), all such Shares shall be deemed to have been delivered for purposes of the limits set forth in this Section 4(b).

(c) Shares available under the Plan may be, in any combination, authorized but unissued Shares and Shares that are repurchased in the market, and canceled by the Company. In no event will any Award, or portion of an Award, issued under the Plan result in the issuance of Shares for an amount less than their underlying aggregate par value.

## **5. Participation**

Participation in the Plan shall be open to all prospective and actual officers and other regular full-time and part-time employees and all prospective and actual directors of the Company, or of any Subsidiary of the Company, as may be selected by the Committee from time to time. Notwithstanding the foregoing, participation in the Plan with respect to Awards of Incentive Share Options shall be limited to employees of the Company or of any Subsidiary of the Company.

Awards may be granted to such Participants and for or with respect to such number of Shares as the Committee shall determine, subject to the limitations in Section 4(a). A grant of any type of Award made in any one year to a Participant shall neither guarantee nor preclude a further grant of that or any other type of Award to such person in that year or subsequent years.

## **6. Share Options**

Subject to the other applicable provisions of the Plan, the Committee may from time to time grant to Participants Awards of Nonqualified Share Options and/or Incentive Share Options. The Share Option granted shall be subject to the following terms and conditions.

(a) *Grant of Option.* The grant of a Share Option shall be evidenced by a Grant Agreement, executed by the Company and the grantee, stating the number of Shares subject to the Share Option evidenced thereby, the exercise price and the terms and conditions of such Share Option, in such form as the Committee may from time to time determine.

(b) *Exercise Price.* The price per Share payable upon the exercise of each Share Option shall not be less than one hundred percent (100%) of the Fair Market Value of the Shares on the Grant Date.

(c) *Payment.* Share Options may be exercised in whole or in part by payment of the exercise price of the Shares to be acquired in accordance with the provisions of the Grant Agreement, and/or such rules and regulations as the Committee may have prescribed, and/or such determinations, orders, or decisions as the Committee may have made. Payment may be made in cash (or cash equivalents acceptable to the Committee) or to the extent permitted by the Committee and permitted by applicable law, in Shares, or by such other means as the Committee may prescribe. The Fair Market Value of Shares delivered on exercise of Share Options shall be determined as of the date of exercise.

If the Shares are registered under Section 12(b) or 12(g) of the Exchange Act, the Committee, subject to applicable law and such limitations as it may determine, may authorize payment of the exercise price, in whole or in part, by delivery of a properly executed exercise notice, together with irrevocable instructions, to: (i) a brokerage firm to deliver promptly to the Company the aggregate amount of sale or loan proceeds to pay the exercise price and any withholding tax obligations that may arise in connection with the exercise, and (ii) the Company to deliver the certificates for such purchased Shares directly to such brokerage firm (or register the Shares in the name of such brokerage firm).

(d) *Terms of Options.* The term during which each Share Option may be exercised shall be determined by the Committee; provided, however, that in no event shall a Share Option be exercisable more than ten years from the date it is granted unless otherwise determined by the Committee. Prior to the exercise of the Share Option and delivery of the Share certificates represented thereby (or registration of such Shares), the grantee shall have none of the rights of a shareholder with respect to any Shares represented by an outstanding Share Option.

(e) *Restrictions on Incentive Share Options.* Incentive Share Option Awards granted under the Plan shall comply in all respects with Code Section 422 and, as such, shall meet the following additional requirements:

(i) *Grant Date.* An Incentive Share Option must be granted within ten (10) years of the earlier of the Plan's adoption by the Board of Directors or approval by the Company's shareholders.

(ii) *Exercise Price and Term.* The exercise price of an Incentive Share Option shall not be less than one hundred percent (100%) of the Fair Market Value of the Shares on the date the Share Option is granted and the term of the Share Option shall not exceed ten years. Also, the exercise price of any Incentive Share Option granted to a grantee who owns (within the meaning of Code Section 422(b)(6), after the application of the attribution rules in Code Section 424(d)) more than ten percent (10%) of the total combined voting power of all classes of shares of the Company or any Subsidiary of the Company shall be not less than one hundred ten percent (110%) of the Fair Market Value of the Shares on the grant date and the term of such Share Option shall not exceed five years.

(iii) *Maximum Grant.* The aggregate Fair Market Value (determined as of the Grant Date) of Shares of the Company with respect to which all Incentive Share Options first become exercisable by any grantee in any calendar year under this or any other plan of the Company and its Subsidiaries may not exceed One Hundred Thousand Dollars (U.S. \$100,000) or such other amount as may be permitted from time to time under Code Section 422. To the extent that such aggregate Fair Market Value shall exceed One hundred Thousand Dollars (U.S. \$100,000), or other applicable amount, such Share Options to the extent of the Shares in excess of such limit shall be treated as Nonqualified Share Options. In such case, the Company may designate the Shares that are to be treated as Shares acquired pursuant to the exercise of an Incentive Share Option.

(iv) *Grantee.* Incentive Share Options shall only be issued to employees of the Company or of a Subsidiary of the Company.

(v) *Designation.* No Share Option shall be an Incentive Share Option unless so designated by the Committee at the time of grant or in the Grant Agreement evidencing such Share Option.

(vi) *Shareholder Approval.* No Share Option issued under the Plan shall be an Incentive Share Option unless the Plan is approved by the shareholders of the Company within twelve (12) months of its adoption by the Board in accordance with the Company's Articles of Incorporation and governing law relating to such matters.

(f) *Other Terms and Conditions.* Share Options may contain such other provisions, not inconsistent with the provisions of the Plan, as the Committee shall determine appropriate from time to time.

## **7. Restricted Shares and Restricted Share Units**

(a) *In General.* Subject to the other applicable provisions of the Plan and applicable law, the Committee may at any time and from time to time grant Restricted Shares or Restricted Share Units to Participants, in such amounts and subject to such vesting conditions, other restrictions and conditions for removal of restrictions as it determines. Unless determined otherwise by the Committee or set forth otherwise in any Award Agreement, Participants receiving Restricted Shares or Restricted Share Units are not required to pay the Company cash consideration therefore (except as may be required for applicable tax withholding).

(b) *Vesting Conditions and Other Restrictions.* Each Award for Restricted Shares and Restricted Share Units shall be evidenced by a Grant Agreement or other documentation that specifies the applicable vesting conditions and other restrictions, if any, on such Award, the duration of such restrictions, and the time or times at which such restrictions shall lapse with respect to all or a specified number of the Restricted Shares that are part of the Award. Notwithstanding the foregoing, the Committee may reduce or shorten the duration of any vesting or other restriction applicable to any Restricted Shares or Restricted Share Units awarded to any grantee under the Plan.



(c) *Share Issuance and Shareholder Rights.*

(i) *Restricted Shares.* Share certificates with respect to Shares granted pursuant to a Restricted Share Award may be issued, and/or Shares may be registered, at the time of grant of the Restricted Share Award. Any Share certificates shall bear an appropriate legend with respect to the restrictions applicable to such Restricted Share Award and the grantee may be required to deposit the certificates with the Company during the period of any restriction thereon and to execute a blank share power or other instrument of transfer therefore. No portion of Restricted Shares may be sold, transferred, assigned, pledged or otherwise encumbered or disposed of by the Participant until such portion of Restricted Shares becomes vested, and any purported sale, transfer, assignment, pledge, encumbrance or disposition shall be void and unenforceable against the Company. If Share certificates have been issued with a legend as provided above, then as soon as administratively practicable after the lapsing of the restrictions with respect to any Restricted Shares, the Company shall deliver to the Participant or his or her personal representative, in book-entry or certificate form, the formerly Restricted Shares that do not bear any restrictive legend making reference to a Grant Agreement. Such Shares shall be free of restrictions, except for any restrictions required under Federal securities laws and other applicable law. Except as otherwise provided by the Committee or in an applicable Grant Agreement, during the period of restriction following issuance of Restricted Share certificates (or registration of the Restricted Shares), the grantee shall have all of the rights of a holder of Shares, including but not limited to the right to receive dividends (or amounts equivalent to dividends) and to vote with respect to the Restricted Shares. The Committee, in its discretion, may provide that any dividends or distributions paid with respect to Shares subject to the unvested portion of a Restricted Share Award will be subject to the same restrictions as the Restricted Shares to which such dividends or distributions relate, and that cash dividends may be held in custody or otherwise by the Company.

(ii) *Restricted Share Units.* Certificates for the Shares subject to a Restricted Share Unit shall be issued, and/or Shares shall be registered, upon vesting and lapse of any other restrictions with respect to the issuance of Shares under such Award. The grantee will not be entitled to vote such Shares or to any of the other rights of shareholders during the period prior to issuance of the certificates for such Shares and/or the registration of the Shares. An Award of Restricted Share Units may provide the Participant with the right to receive amounts equivalent to dividends and distributions paid with respect to Shares subject to the Award while the Award is outstanding, which payments may, in the Committee's discretion, either be made currently or credited to an account for the Participant, and may be settled in cash or Shares, all as determined by the Committee. Unless otherwise determined by the Committee or in an applicable Grant Agreement with respect to a particular Award, each outstanding Restricted Share Unit shall accrue such dividend equivalents, which amounts will be paid only when and if the Restricted Share Unit (on which such dividend equivalents were accrued) vests and becomes payable. To the extent that a Restricted Share Unit does not vest or is cancelled, any accrued and unpaid dividend equivalents shall be forfeited.

## 8. Share Appreciation Rights and Phantom Shares

(a) *Award of Share Appreciation Rights.* Subject to the other applicable provisions of the Plan, the Committee may at any time and from time to time grant Share Appreciation Rights to Participants, either on a free-standing basis (without regard to or in addition to the grant of a Share Option) or on a tandem basis (related to the grant of an underlying Share Option), as it determines. Share Appreciation Rights granted in tandem with or in addition to a Share Option may be granted either at the same time as the Share Option or at a later time; provided, however, that a tandem Share Appreciation Right shall not be granted with respect to any outstanding Incentive Share Option Award without the consent of the grantee. Share Appreciation Rights shall be evidenced by Grant Agreements, executed by the Company and the grantee, stating the number of Shares subject to the Share Appreciation Right evidenced thereby and the terms and conditions of such Share Appreciation Right, in such form as the Committee may from time to time determine. The term during which each Share Appreciation Right may be exercised shall be determined by the Committee. Unless otherwise determined by the Committee, in no event shall a Share Appreciation Right be exercisable more than ten years from the date it is granted. The grantee shall have none of the rights of a shareholder with respect to any Shares represented by a Share Appreciation Right.

(b) *Restrictions of Tandem Share Appreciation Rights.* Share Appreciation Rights granted in tandem with Share Options shall be exercisable only to the same extent and subject to the same conditions as the Share Options related thereto are exercisable. The Committee may, in its discretion, prescribe additional conditions to the exercise of any such tandem Share Appreciation Right.

(c) *Amount of Payment upon Exercise of Share Appreciation Rights.* Unless otherwise determined by the Committee in a Grant Agreement at the time of grant, each Share Appreciation Right shall entitle the grantee to receive, subject to the provisions of the Plan and the Grant Agreement, a payment having an aggregate value equal to the product of (i) the excess of (A) the Fair Market Value on the exercise date of one Share over (B) the base price per Share specified in the Grant Agreement (which shall be no less than the Fair Market Value of a Share on the Grant Date), times (ii) the number of Shares specified by the Share Appreciation Right, or portion thereof, that is exercised. In the case of exercise of a tandem Share Appreciation Right, such payment shall be made in exchange for the surrender of the unexercised related Share Option (or applicable portion or portions thereof).

(d) *Form of Payment upon Exercise of Share Appreciation Rights.* Payment by the Company of the amount receivable upon or following any exercise of a Share Appreciation Right may be made by the delivery of Shares or cash, or any combination of Shares and cash, as determined in the sole discretion of the Committee from time to time. If upon settlement of the exercise of a Share Appreciation Right a grantee is to receive a portion of such payment in Shares, the number of Shares shall be determined by dividing such portion by the Fair Market Value of a Share on the exercise date. No fractional Shares shall be used for such payment and the Committee shall determine whether cash shall be given in lieu of such fractional Shares or whether such fractional Shares shall be eliminated.

(e) *Phantom Shares*. The grant of Phantom Shares shall be evidenced by a Grant Agreement, executed by the Company and the grantee that incorporates the terms of the Plan and states the number of Phantom Shares evidenced thereby and the terms and conditions of such Phantom Shares in such form as the Committee may from time to time determine. Phantom Shares granted to a Participant shall be credited to a bookkeeping reserve account solely for accounting purposes and shall not require a segregation of any of the Company's assets. Each Phantom Share shall represent the value of one Share. Phantom Shares shall become payable in whole or in part in such form, at such time or times and pursuant to such conditions in accordance with the provisions of the Grant Agreement, and/or such rules and regulations as the Committee may prescribe, and/or such determinations, orders or decisions as the Committee may make. Except as otherwise provided in the applicable Grant Agreement, the grantee shall have none of the rights of a shareholder with respect to any Shares represented by a Phantom Share as a result of the grant of a Phantom Share to the grantee. Phantom Shares may contain such other provisions, not inconsistent with the provisions of the Plan, as the Committee shall determine desirable or appropriate from time to time.

#### **9. Performance Awards**

The Committee, in its discretion, may establish targets for Performance Measures for selected Participants and authorize the granting, vesting, payment and/or delivery of Performance Awards in the form of Incentive Share Options, Nonqualified Share Options, Restricted Shares, Restricted Share Units, Share Appreciation Rights, Phantom Shares and/or cash to such Participants upon achievement of such targets for Performance Measures during a Performance Period. The Committee, in its discretion, shall determine the Participants eligible for Performance Awards, the targets for Performance Measures to be achieved during each Performance Period, and the type, amount, and terms and conditions of any Performance Awards. Performance Awards may be granted either alone or in addition to other Awards made under the Plan.

#### **10. Withholding and Reporting of Taxes**

The Company may require, as a condition to the grant of any Award under the Plan, vesting or exercise pursuant to such Award or to the delivery of certificates for or registration of Shares issued or payments of cash to a grantee pursuant to the Plan or a Grant Agreement, that the grantee pay to the Company (or the applicable Subsidiary), in cash or, if approved by the Company (or the applicable Subsidiary), in Shares, including Shares acquired upon grant of the Award or exercise of the Award, valued at Fair Market Value on the date as of which the withholding tax liability is determined, an amount sufficient to satisfy any U.S. federal, state, local or non-U.S. taxes of any kind (including the Participant's FICA obligation) required by law to be withheld with respect to any taxable event under the Plan. The Company (or the applicable Subsidiary), to the extent permitted or required by law, shall have the right to deduct from any payment of any kind (including salary or bonus) otherwise due to a grantee any federal, state or local taxes of any kind or any applicable taxes or other required withholding of any other jurisdiction required by law to be withheld with respect to the grant, vesting, exercise or payment of or under any Award under the Plan or a Grant Agreement, or to retain or sell a sufficient number of the Shares to be issued to such grantee to cover any such taxes. The Company or any of its Subsidiaries shall comply with any applicable tax reporting requirements of any

jurisdiction imposed on it by law with respect to the granting, vesting, exercise and/or payment of Awards. Notwithstanding any other provision of the Plan, the number of Shares which may be withheld with respect to the issuance, vesting, exercise or payment of any Award in order to satisfy the Participant's federal, state, and local income and payroll tax liabilities with respect to the issuance, vesting, exercise or payment of the Award shall be limited to the number of Shares which have a Fair Market Value on the date of withholding equal to the aggregate amount of such liabilities based on the minimum statutory withholding rates for U.S. federal, state, local and non-U.S. income tax and payroll tax purposes that are applicable to such supplemental taxable income.

#### **11. Transferability**

No Award granted under the Plan shall be transferable by a grantee otherwise than by will or the laws of descent and distribution. Unless otherwise determined by the Committee in accordance with the provisions of the immediately preceding sentence, an Award may be exercised during the lifetime of the grantee, only by the grantee or, during the period the grantee is under a legal disability, by the grantee's guardian or legal representative. Notwithstanding the foregoing, an Award other than an Incentive Share Option may, in the Committee's sole discretion, be transferable by gift or domestic relations order to (i) the grantee's child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, daughter-in-law, son-in-law, brother-in-law or sister-in-law, including adoptive relationships (such persons, "Family Members"), (ii) a company, partnership, limited liability company or other business entity whose only shareholders, partners or members, as applicable are the grantee and/or Family Members, or (iii) a trust in which the grantee and/or Family Members have all of the beneficial interests, and subsequent to any such transfer any Award may be exercised by any such transferee.

#### **12. Adjustments; Corporate Transactions**

In the event of (i) a share dividend, share split, reverse share split, share combination, or recapitalization, an extraordinary dividend or similar event affecting the capital structure of the Company (other than, for the avoidance of doubt, a normal cash dividend), or (ii) a merger, consolidation, amalgamation, scheme of arrangement, acquisition of property or shares, separation, spinoff, reorganization, share rights offering, liquidation, Disaffiliation, or similar event affecting the Company or any of its Subsidiaries (each, a "Corporate Transaction"), the Committee or the Board shall make such substitutions or adjustments as it deems appropriate and equitable to, (A) the aggregate number and kind of Shares or other securities reserved for issuance and delivery under the Plan; (B) the number and kind of Shares or other securities subject to outstanding Awards; and (C) the exercise price of outstanding Share Options and Share Appreciation Rights. In the case of Corporate Transactions, such adjustments may include, without limitation, (1) the cancellation of outstanding Awards in exchange for payments of cash, property or a combination thereof having an aggregate value equal to the value of such Awards, as determined by the Committee or the Board in its sole discretion (it being understood that in the case of a Corporate Transaction with respect to which holders of Shares receive consideration other than publicly traded equity securities of the ultimate surviving entity, any such determination by the Committee that the value of a Share Option or Share Appreciation Right shall for this purpose be deemed to equal the excess, if any, of the value of the

consideration being paid for each Share pursuant to such Corporate Transaction over the exercise price of such Share Option or Share Appreciation Right shall conclusively be deemed valid); and (2) the substitution of other property of equal value (including, without limitation, cash or other securities of the Company and securities of entities other than the Company) for the Shares subject to outstanding Awards.

### **13. Termination and Amendment**

(a) *Amendment or Termination by the Board.* The Board, without further approval of the shareholders of the Company, may amend or terminate the Plan or any portion thereof at any time, except that no amendment shall become effective without approval of the shareholders of the Company if shareholder approval is necessary to comply with any tax or regulatory requirement or rule of any Applicable Exchange.

(b) *Amendments by the Committee.* The Committee shall be authorized to make minor or administrative amendments to the Plan as well as amendments to the Plan that may be dictated by requirements of U.S. federal or state laws or any non-U.S. laws applicable to the Company or that may be authorized or made desirable by such laws.

(c) *Amendments to Awards.* The Committee may amend any outstanding Award in any manner as provided in Section 12. In addition, the Committee may otherwise modify or amend any outstanding Award to the extent that the Committee would have had the authority to make such Award as so amended; *provided* that the Committee shall not have the power to terminate any outstanding unvested Awards, other than pursuant to the terms thereof, without the Participant's prior written consent.

### **14. Non-Guarantee of Employment**

Nothing in the Plan or in any Grant Agreement thereunder shall confer any right on an employee to continue in the employ of the Company or any Subsidiary of the Company or shall interfere in any way with the right of the Company or any Subsidiary of the Company to terminate an employee at any time.

### **15. Written Agreement**

Each Grant Agreement entered into between the Company and a grantee with respect to an Award granted under the Plan shall incorporate the terms of this Plan and shall contain such provisions, not inconsistent with the provisions of the Plan, as may be established by the Committee.

### **16. Non-Uniform Determinations**

The Committee's determinations under the Plan (including without limitation determinations of the persons to receive Awards, the form, amount and time of such Awards, the terms and provisions of such Awards and the agreements evidencing same) need not be uniform and may be made by it selectively among persons who receive, or are eligible to receive, Awards under the Plan, whether or not such persons are similarly situated.

## **17. Listing and Registration**

If the Company determines that the listing, registration or qualification upon any Applicable Exchange or under any law of Shares subject to any Award is necessary or desirable as a condition of, or in connection with, the granting of same or the issue or purchase of Shares thereunder, no such Award may be exercised in whole or in part and no restrictions on such Award shall lapse, unless such listing, registration or qualification is effected free of any conditions not acceptable to the Company.

## **18. Compliance with Securities Law**

The Company may require that a grantee, as a condition to exercise of an Award, and as a condition to the delivery of any share certificate (or registration of shares), provide to the Company, at the time of each such exercise and each such delivery (or registration), a written representation that the Shares being acquired shall be acquired by the grantee solely for investment and will not be sold or transferred without registration or the availability of an exemption from registration under the Securities Act and applicable state securities laws and other applicable laws. The Company may also require that a grantee submit other written representations that will permit the Company to comply with U.S. federal and applicable state securities laws in connection with the issuance of the Shares, including representations as to the knowledge and experience in financial and business matters of the grantee and the grantee's ability to bear the economic risk of the grantee's investment. The Company may require that the grantee obtain a "purchaser representative" as that term is defined in applicable federal and state securities laws. Any Share certificates for Shares issued pursuant to this Plan may bear a legend restricting transferability of the Shares unless such Shares are registered or an exemption from registration is available under the Securities Act and applicable securities laws of the states of the U.S. and other applicable laws. The Company may notify its transfer agent to stop any transfer of Shares not made in compliance with these restrictions. Shares shall not be issued with respect to an Award granted under the Plan unless the exercise of such Award and the issuance and delivery of Share certificates (or registration) for such Shares pursuant thereto shall comply with all relevant provisions of law, including, without limitation, the Securities Act, the Exchange Act, the rules and regulations promulgated thereunder and the requirements of any Applicable Exchange, and shall be further subject to the approval of counsel for the Company with respect to such compliance to the extent such approval is sought by the Committee.

## **19. No Trust or Fund Created**

Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a grantee or any other person. To the extent that any grantee or other person acquires a right to receive payments from the Company pursuant to an Award, such right shall be no greater than the right of any unsecured general creditor of the Company.

## **20. No Limit on Other Compensation Arrangements**

Nothing contained in the Plan shall prevent the Company or any of its Subsidiaries from adopting or continuing in effect other compensation arrangements (whether such arrangements

be generally applicable or applicable only in specific cases), including without limitation the granting of Share Options, Restricted Shares, Restricted Share Units, Share Appreciation Rights or Phantom Share Units otherwise than under the Plan.

**21. No Restriction of Corporate Action**

Nothing contained in the Plan shall be construed to limit or impair the power of the Company or any of its Subsidiaries to make adjustments, reclassifications, reorganizations, or changes in its capital or business structure, or to amalgamate, merge or consolidate, liquidate, sell or transfer all or any part of its business or assets or, except as otherwise provided herein, or in a Grant Agreement, to take other actions which it deems to be necessary or appropriate. No employee, beneficiary or other person shall have any claim against the Company or any of its Subsidiaries as a result of such action.

**22. Governing Law**

The validity, construction and effect of the Plan, of Grant Agreements entered into pursuant to the Plan, and of any rules, regulations, determinations or decisions made by the Board or Committee relating to the Plan or such Grant Agreements, and the rights of any and all persons having or claiming to have any interest therein or thereunder, shall be determined in accordance with applicable federal laws and the laws of Delaware. Unless otherwise provided in the Grant Agreement, recipients of an Award under the Plan are deemed to submit to the exclusive jurisdiction and venue of the courts of Delaware, to resolve any and all issues that may arise out of or relate to the Plan or any related Grant Agreement.

**23. Plan Subject to Articles of Incorporation**

This Plan is subject to the Company's Articles of Incorporation, as they may be amended from time to time.

**24. Effective Date; Termination Date**

The Plan was originally effective as of February 4, 2008, and was most recently amended as of April 18, 2013. As of April 18, 2013 no new Awards may be issued under the Plan; it being understood that the Unallocated Bonus Plan Awards and the Anti-Dilution Awards shall be granted and effective as of the same date. Subject to other applicable provisions of the Plan, all Awards made under the Plan on or prior to such date shall remain in effect until such Awards have been satisfied or terminated in accordance with the Plan and the terms of such Awards. Upon the expiration, satisfaction or termination of all Awards made under the Plan on or prior to such date, the Plan shall terminate automatically and all obligations and liabilities associated hereunder shall be irrevocably discharged without any further recourse.

**25. Section 409A**

To the extent applicable, the Plan and Grant Agreements shall be interpreted in accordance with Section 409A of the Code and United States Department of Treasury regulations and other interpretive guidance issued thereunder. Notwithstanding any provision of the Plan to the contrary, in the event that the Committee determines that any Share Option or

other Award may be subject to Section 409A of the Code, the Committee reserves the right (without any obligation to do so or to indemnify the Participant for any failure to do so) to adopt such amendments to the Plan and the applicable Grant Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Committee determines are necessary or appropriate to (a) exempt the Share Option from Section 409A of the Code and/or preserve the intended tax treatment of the benefits provided with respect to the Share Option, or (b) comply with the requirements of Section 409A of the Code and related Department of Treasury guidance and thereby avoid the application of penalty taxes under such Section 409A.

If any Participant is deemed to be a “specified employee” for purposes of Section 409A(a)(2)(B)(i) of the Code at the time of his separation from service with the Company, to the extent delayed distributions with respect to any Award held by such Participant (after taking into account all exclusions applicable to such distributions under Section 409A) is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such distributions will not be made prior to the date which is six months after the Participant’s separation from service (or, if earlier, the date of the Participant’s death).



**Intelsat S.A. 2013 Equity Incentive Plan**

**1. Purpose.** The Intelsat S.A. 2013 Equity Incentive Plan (the “**Plan**”) is intended to help Intelsat S.A., a Luxembourg *société anonyme* (including any successor thereto, the “**Company**”) and its Affiliates (i) attract and retain key personnel by providing them the opportunity to acquire an equity interest in the Company or other incentive compensation measured by reference to the value of Common Stock and (ii) align the interests of key personnel with those of the Company’s shareholders.

**2. Effective Date; Duration.** The Plan shall be effective as of April 18, 2013 (the “**Effective Date**”). The expiration date of the Plan, on and after which date no Awards may be granted, shall be the tenth anniversary of the Effective Date; provided, however, that such expiration shall not affect Awards then outstanding, and the terms and conditions of the Plan shall continue to apply to such Awards.

**3. Definitions.** The following definitions shall apply throughout the Plan.

(a) “**Affiliate**” means any person or entity that directly or indirectly controls, is controlled by or is under common control with the Company. The term “control” means the possession, directly or indirectly, of the power to direct the management and policies of such person or entity, whether through the ownership of voting or other securities, by contract or otherwise.

(b) “**Award**” means any Incentive Stock Option, Nonqualified Stock Option, Stock Appreciation Right, Restricted Stock, Restricted Stock Unit, Other Stock-Based Award and/or Performance Compensation Award granted under the Plan.

(c) “**Beneficial Ownership**” has the meaning set forth in Rule 13d-3 promulgated under Section 13 of the Exchange Act.

(d) “**Board**” means the Board of Directors of the Company.

(e) “**Cause**” means the Company or an Affiliate having “cause” to terminate a Participant’s employment or service due to the Participant’s (A) willful misconduct or gross neglect of his duties; (B) having engaged in conduct harmful (whether financially, reputationally or otherwise) to the Company or an Affiliate; (C) failure or refusal to perform his duties; (D) conviction of or guilty or no contest plea to a felony or any crime involving dishonesty or moral turpitude; (E) willful violation of the written policies of the Company or an Affiliate; (F) misappropriation or misuse of Company or Affiliate funds or property or other act of personal dishonesty in connection with his employment; or (G) willful breach of fiduciary duty. The determination of whether Cause exists shall be made by the Committee in its sole discretion.

(f) “**Change in Control**” shall be deemed to occur upon any of the following events:

(i) the acquisition by any Person of Beneficial Ownership of 30% or more (on a fully diluted basis) of either (A) the then outstanding shares of Common Stock, including Common Stock issuable upon the exercise of options or warrants, the conversion of convertible stock or debt, and the exercise of any similar right to acquire such Common Stock (the “**Outstanding Company Common Stock**”); or (B) the combined voting power of the then outstanding voting securities of the Company entitled to vote in the election of directors (the “**Outstanding Company Voting Securities**”); but excluding any acquisition by the Company or any of its Affiliates, or by any employee benefit plan sponsored or maintained by the Company or any of its Affiliates;

(ii) a change in the composition of the Board such that members of the Board during any consecutive 12-month period (the “**Incumbent Directors**”) cease to constitute a majority of the Board. Any person becoming a director through election or nomination for election approved by a valid vote of at least two-thirds of the Incumbent Directors shall be deemed an Incumbent Director; provided, however, that no individual becoming a director as a result of an actual or threatened election contest, as such terms are used in Rule 14a-12 of Regulation 14A promulgated under the Exchange Act, or as a result of any other actual or threatened solicitation of proxies or consents by or on behalf of any person other than the Board shall be deemed to be an Incumbent Director;

(iii) the approval by the shareholders of the Company of a plan of complete dissolution or liquidation of the Company; or

(iv) the consummation of a reorganization, recapitalization, merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Company (a “**Business Combination**”), or sale, transfer or other disposition of all or substantially all of the business or assets of the Company to an entity that is not an Affiliate of the Company (a “Sale”), unless immediately following such Business Combination or Sale: (A) more than 50% of the total voting power of the entity resulting from such Business Combination or the entity that acquired that business or assets of the Company in such Sale (in either case, the “**Surviving Company**”), or the ultimate parent entity that has Beneficial Ownership of sufficient voting power to elect a majority of the board of directors (or analogous governing body) of the Surviving Company (the “**Parent Company**”), is represented by the Outstanding Company Voting Securities that were outstanding immediately prior to such Business Combination or Sale (or, if applicable, is represented by shares into which the Outstanding Company Voting Securities were converted pursuant to such Business Combination or Sale), and such voting power among the holders thereof is in substantially the same proportion as the voting power of the Outstanding Company Voting Securities among the holders thereof immediately prior to the Business Combination or Sale, (B) no Person (other than any employee benefit plan sponsored or maintained by the Surviving Company or the Parent Company), is or becomes the beneficial owner, directly or indirectly, of 30% or more of the total voting power of the outstanding voting securities eligible to elect members of the board of directors (or the analogous governing body) of the Parent Company (or, if there is no Parent Company, the Surviving Company) and (C) at least a majority of the members of the board of directors (or the analogous governing body) of the Parent Company (or, if there is no Parent Company, the Surviving Company) following the consummation of the Business Combination or Sale were Board members at the time of the Board’s approval of the execution of the initial agreement providing for such Business Combination or Sale.

(g) “Code” means the U.S. Internal Revenue Code of 1986, as amended, and any successor thereto. References to any section of the Code shall be deemed to include any regulations or other interpretative guidance under such section, and any amendments or successors thereto.

(h) “Committee” means the Compensation Committee of the Board or subcommittee thereof or, if no such Compensation Committee or subcommittee exists, the Board.

(i) “Common Stock” means the common shares, nominal value \$0.01 per share, of the Company (and any stock or other securities into which such common shares may be converted or into which it may be exchanged).

(j) “Disability” means cause for termination of a Participant’s employment or service due to a determination that the Participant is disabled in accordance with a long-term disability insurance program maintained by the Company or a determination by the U.S. Social Security Administration that the Participant is totally disabled.

(k) “Eligible Person” means any (i) individual employed by the Company or an Affiliate; provided, however, that no such employee covered by a collective bargaining agreement shall be an Eligible Person; (ii) director or officer of the Company or an Affiliate; (iii) consultant or advisor to the Company or an Affiliate who may be offered securities registrable on Form S 8 under the Securities Act; or (iv) any prospective employees, directors, officers, consultants or advisors who have accepted offers of employment or consultancy from the Company or its Affiliates.

(l) “Exchange Act” means the U.S. Securities Exchange Act of 1934, as amended, and any successor thereto. References to any section of (or rule promulgated under) the Exchange Act shall be deemed to include any rules, regulations or other interpretative guidance under such section or rule, and any amendments or successors thereto.

(m) “Fair Market Value” means, on a given date, (i) if the Common Stock is listed on a national securities exchange, the closing sales price of the Common Stock reported on such exchange on such date, or, if there is no such sale on that date, then on the last preceding date on which such a sale was reported; or (ii) if the Common Stock is not listed on any national securities exchange, the amount determined by the Committee in good faith to be the fair market value of the Common Stock.

(n) “Incentive Stock Option” means an Option which is designated by the Committee as an incentive stock option as described in Section 422 of the Code.

(o) “Nonqualified Stock Option” means an Option which is not designated by the Committee as an Incentive Stock Option.

(p) “NYSE” means The New York Stock Exchange, Inc.

(q) “Option” means an Award granted under Section 7 of the Plan.

(r) “Performance Compensation Award” means an Award designated by the Committee as a Performance Compensation Award pursuant to Section 11 of the Plan.

(s) “Performance Criteria” shall mean the criterion or criteria that the Committee shall select for purposes of establishing the Performance Goal(s) for a Performance Period with respect to any Performance Compensation Award under the Plan.

(t) “Performance Formula” shall mean, for a Performance Period, the one or more objective formulae applied against the relevant Performance Goal to determine, with regard to the Performance Compensation Award of a particular Participant, whether all, some portion but less than all, or none of the Performance Compensation Award has been earned for the Performance Period.

(u) “Performance Goals” shall mean, for a Performance Period, the one or more goals established by the Committee for the Performance Period based upon the Performance Criteria.

(v) “Performance Period” shall mean the one or more periods of time as the Committee may select, over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Participant’s right to, and the payment of, a Performance Compensation Award.

(w) “Person” has the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, except that such term shall not include (i) the Company or any of its subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of Common Stock of the Company.

(x) “Restricted Stock” means an Award of Common Stock, subject to certain specified restrictions, granted under Section 9 of the Plan.

(y) “Restricted Stock Unit” means an Award of an unfunded and unsecured promise to deliver shares of Common Stock, cash, other securities or other property, subject to certain specified restrictions, granted under Section 9 of the Plan.

(z) “Securities Act” means the U.S. Securities Act of 1933, as amended, and any successor thereto. Reference in the Plan to any section of (or rule promulgated under) the Securities Act shall be deemed to include any rules, regulations or other interpretative guidance under such section or rule, and any amendments or successor provisions to such section, rules, regulations or guidance.

(aa) “Stock Appreciation Right” or “SAR” means an Award granted under Section 8 of the Plan.

#### **4. Administration.**

(a) The Committee shall administer the Plan, and shall have the sole and plenary authority to: (i) designate Participants; (ii) determine the type, size, and terms and conditions of Awards to be granted; (iii) determine the method by which an Award may be settled, exercised, canceled, forfeited, or suspended; (iv) determine the circumstances under which the delivery of cash, property or other amounts payable with respect to an Award may be deferred either automatically or at the Participant’s or Committee’s election; (v) interpret and administer the Plan and any Award; (vi) establish, amend, suspend, or waive any rules and regulations and appoint such agents as the Committee shall deem appropriate for the proper administration of the Plan; (vii) accelerate the vesting, delivery or exercisability of, payment for or lapse of restrictions on, or waive any condition in respect of, Awards; and (viii) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan or to comply with any applicable law, including Section 162(m) of the Code and the Treasury Regulations promulgated thereunder. To the extent required to comply with the provisions of Rule 16b-3 promulgated under the Exchange Act (if applicable and if the Board is not acting as the Committee under the Plan) or necessary to obtain the exception for performance-based compensation under Section 162(m) of the Code, or any exception or exemption under the rules of the NYSE or any other securities exchange or inter-dealer quotation system on which the Common Stock is listed or quoted, as applicable, it is intended that each member of the Committee shall, at the time he takes any action with respect to an Award under the Plan, be (i) a “non-employee director” within the meaning of Rule 16b-3 under the Exchange Act and (ii) an “outside director” within the meaning of Section 162(m) of the Code and/or (iii) an “independent director” under the rules of the NYSE or any other securities exchange or inter-dealer quotation system on which the Common Stock is listed or quoted (“**Eligible Director**”). However, the fact that a Committee member shall fail to qualify as an Eligible Director shall not invalidate any Award granted or action taken by the Committee that is otherwise validly granted or taken under the Plan.

(b) The Committee may allocate all or any portion of its responsibilities and powers to any one or more of its members and may delegate all or any part of its responsibilities and powers to any

person(s) selected by it, except for grants of Awards to persons (i) who are non-employee members of the Board or otherwise are subject to Section 16 of the Exchange Act or (ii) who are or may reasonably be expected to be “covered employees” for purposes of Section 162(m) of the Code. Any such allocation or delegation may be revoked by the Committee at any time.

(c) As further set forth in Section 15(f) of the Plan, the Committee shall have the authority to amend the Plan and Awards to the extent necessary to permit participation in the Plan by Eligible Persons who are located outside of the United States on terms and conditions comparable to those afforded to Eligible Persons located within the United States; provided, however, that no such action shall be taken without shareholder approval if such approval is required by applicable law or regulation.

(d) Unless otherwise expressly provided in the Plan, all designations, determinations, interpretations, and other decisions regarding the Plan or any Award shall be within the sole discretion of the Committee, may be made at any time and shall be final, conclusive and binding upon all persons or entities, including, without limitation, the Company, any Affiliate, any Participant, any holder or beneficiary of any Award, and any shareholder of the Company.

(e) No member of the Board, the Committee or any employee or agent of the Company (each such person, an “**Indemnifiable Person**”) shall be liable for any action taken or omitted to be taken or any determination made with respect to the Plan or any Award hereunder (unless constituting fraud or a willful criminal act or omission). Each Indemnifiable Person shall be indemnified and held harmless by the Company against and from any loss, cost, liability, or expense (including attorneys’ fees) that may be imposed upon or incurred by such Indemnifiable Person in connection with or resulting from any action, suit or proceeding to which such Indemnifiable Person may be involved as a party, witness or otherwise by reason of any action taken or omitted to be taken or determination made under the Plan or any Award agreement and against and from any and all amounts paid by such Indemnifiable Person with the Company’s approval (not to be unreasonably withheld), in settlement thereof, or paid by such Indemnifiable Person in satisfaction of any judgment in any such action, suit or proceeding against such Indemnifiable Person, and the Company shall advance to such Indemnifiable Person any such expenses promptly upon written request (which request shall include an undertaking by the Indemnifiable Person to repay the amount of such advance if it shall ultimately be determined as provided below that the Indemnifiable Person is not entitled to be indemnified); provided that the Company shall have the right, at its own expense, to assume and defend any such action, suit or proceeding and once the Company gives notice of its intent to assume the defense, the Company shall have sole control over such defense with counsel of recognized standing of the Company’s choice. The foregoing right of indemnification shall not be available to an Indemnifiable Person to the extent that a final judgment or other final adjudication (in either case not subject to further appeal) binding upon such Indemnifiable Person determines that the acts or omissions or determinations of such Indemnifiable Person giving rise to the indemnification claim resulted from such Indemnifiable Person’s fraud or willful criminal act or omission or that such right of indemnification is otherwise prohibited by law or by the Company’s Articles of Incorporation. The foregoing right of indemnification shall not be exclusive of or otherwise supersede any other rights of indemnification to which such Indemnifiable Persons may be entitled under the Company’s Articles of Incorporation, as a matter of law, individual indemnification agreement or contract or otherwise, or any other power that the Company may have to indemnify such Indemnifiable Persons or hold them harmless.

(f) The Board may at any time and from time to time, grant Awards and administer the Plan with respect to such Awards. In any such case, the Board shall have all the authority granted to the Committee under the Plan.

## 5. Grant of Awards; Shares Subject to the Plan; Limitations.

(a) The Committee may grant Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Other Stock-Based Awards and/or Performance Compensation Awards to one or more Eligible Persons.

(b) Subject to Section 12 of the Plan, the following limitations apply to the grant of Awards: (i) no more than 10,000,000 shares of Common Stock may be delivered in the aggregate pursuant to Awards; (ii) no more than 1,000,000 shares of Common Stock in the aggregate (or the equivalent amount in cash, other securities or property) may be subject to grants of Awards to any single Participant during any calendar year; and (iii) no more than 10,000,000 shares of Common Stock may be delivered in the aggregate pursuant to the exercise of Incentive Stock Options.

(c) Shares of Common Stock shall be deemed to have been used in settlement of Awards whether or not they are actually delivered or the Fair Market Value equivalent of such shares is paid in cash; provided, however, that if shares of Common Stock issued upon exercise, vesting or settlement of an Award, or shares of Common Stock owned by a Participant are surrendered or tendered to the Company in payment of the Exercise Price or any taxes required to be withheld in respect of an Award, such surrendered or tendered shares shall not become available for other Awards; provided, further, that in no event shall such shares increase the number of shares of Common Stock that may be delivered pursuant to Incentive Stock Options. If and to the extent all or any portion of an Award expires, terminates or is canceled or forfeited for any reason without the Participant having received any benefit therefrom, the shares covered by such Award or portion thereof shall again become available for other Awards. For purposes of the foregoing sentence, a Participant shall not be deemed to have received any "benefit" (i) in the case of forfeited Restricted Stock by reason of having enjoyed voting rights and dividend rights prior to the date of forfeiture or (ii) in the case of an Award canceled by reason of a new Award being granted in substitution therefor.

(d) The Committee may grant Awards in assumption of, or in substitution for, outstanding awards previously granted by the Company or any Affiliate or an entity directly or indirectly acquired by the Company or with which the Company combines ("**Substitute Awards**"), and such Substitute Awards shall not be counted against the aggregate number of shares of Common Stock available for Awards; provided, further, that Substitute Awards issued or intended as "incentive stock options" within the meaning of Section 422 of the Code shall be counted against the aggregate number of Incentive Stock Options available under the Plan.

**6. Eligibility.** Participation shall be limited to Eligible Persons who have been selected by the Committee and who have entered into an Award agreement with respect to an Award granted to them under the Plan (each such Eligible Person, a "**Participant**").

## 7. Options.

(a) **Generally.** All Options granted under the Plan shall be Nonqualified Stock Options unless the Award agreement expressly states otherwise. Incentive Stock Options shall be granted only subject to and in compliance with Section 422 of the Code, and only to Eligible Persons who are employees of the Company and its Affiliates and who are eligible to receive an Incentive Stock Option under the Code. If for any reason an Option intended to be an Incentive Stock Option (or any portion thereof) shall not qualify as an Incentive Stock Option, then, to the extent of such nonqualification, such Option or portion thereof shall be regarded as a Nonqualified Stock Option appropriately granted under the Plan.

(b) **Exercise Price.** The exercise price ("**Exercise Price**") per share of Common Stock for each Option shall not be less than 100% of the Fair Market Value of such share, determined as of the Date of Grant. Any modification to the Exercise Price of an outstanding Option shall be subject to the prohibition on repricing set forth in Section 14(b).

(c) Vesting, Exercise and Expiration. The Committee shall determine the manner and timing of vesting, exercise and expiration of Options. The period between Date of Grant and the scheduled expiration date of the Option (“**Option Period**”) shall not exceed ten years, unless the Option Period (other than in the case of an Incentive Stock Option) would expire at a time when trading in the shares of Common Stock is prohibited by the Company’s securities trading policy or Company-imposed “blackout period”, in which case the Option Period shall be automatically extended until the 30th day following the expiration of such prohibition (so long as such extension shall not violate Section 409A of the Code). The Committee may accelerate the vesting and/or exercisability of any Option, which acceleration shall not affect any other terms and conditions of such Option.

(d) Method of Exercise and Form of Payment. No shares of Common Stock shall be delivered pursuant to any exercise of an Option until the Participant has made payment in full to the Company of the Exercise Price and an amount equal to any U.S. Federal, state and local income and employment taxes and non-U.S. income and employment taxes, social contributions and any other tax-related items required to be withheld. Options may be exercised by delivery of written or electronic notice of exercise to the Company or its designee (including a third party administrator) in accordance with the terms of the Option. The Exercise Price and all applicable required withholding taxes shall be payable (i) in cash, check, cash equivalent and/or shares of Common Stock valued at the Fair Market Value at the time the Option is exercised (including, pursuant to procedures approved by the Committee, by means of attestation of ownership of a sufficient number of shares of Common Stock in lieu of actual delivery of such shares to the Company); provided that such shares of Common Stock are not subject to any pledge or other security interest; or (ii) by such other method as the Committee may permit, including without limitation: (A) in other property having a fair market value equal to the Exercise Price and all applicable required withholding taxes; (B) if there is a public market for the shares of Common Stock at such time, by means of a broker-assisted “cashless exercise” pursuant to which the Company is delivered a copy of irrevocable instructions to a stockbroker to sell the shares of Common Stock otherwise deliverable upon the exercise of the Option and to deliver promptly to the Company an amount equal to the Exercise Price and all applicable required withholding taxes; or (C) by means of a “net exercise” procedure effected by withholding the minimum number of shares of Common Stock otherwise deliverable in respect of an Option that are needed to pay for the Exercise Price and all applicable required withholding taxes. Notwithstanding the foregoing, unless otherwise determined by the Committee, if on the last day of the Option Period, the Fair Market Value exceeds the Exercise Price, the Participant has not exercised the Option, and the Option has not expired, such Option shall be deemed to have been exercised by the Participant on such last day by means of a “net exercise” procedure described above. Any fractional shares of Common Stock shall be settled in cash.

(e) Notification upon Disqualifying Disposition of an Incentive Stock Option. Each Participant awarded an Incentive Stock Option under the Plan shall notify the Company in writing immediately after the date he makes a disqualifying disposition of any Common Stock acquired pursuant to the exercise of such Incentive Stock Option. A disqualifying disposition is any disposition (including, without limitation, any sale) of such Common Stock before the later of (A) two years after the Date of Grant of the Incentive Stock Option or (B) one year after the date of exercise of the Incentive Stock Option. The Company may, if determined by the Committee and in accordance with procedures established by the Committee, retain possession, as agent for the applicable Participant, of any Common Stock acquired pursuant to the exercise of an Incentive Stock Option until the end of the period described in the preceding sentence, subject to complying with any instruction from such Participant as to the sale of such Common Stock.

(f) Incentive Stock Option Grants to 10% Shareholders. Notwithstanding anything to the contrary in this Section 7, if an Incentive Stock Option is granted to a Participant who owns stock representing more than ten percent of the voting power of all classes of stock of the Company or of a Subsidiary or a parent of the Company, the Option Period shall not exceed five years from the Date of Grant of such Option and the Option Price shall be at least 110 percent of the Fair Market Value (on the Date of Grant) of the shares subject to the Option.

(g) \$100,000 Per Year Limitation for Incentive Stock Options. To the extent the aggregate Fair Market Value (determined as of the Date of Grant) of shares of Common Stock for which Incentive Stock Options are exercisable for the first time by any Participant during any calendar year (under all plans of the Company) exceeds \$100,000, such excess Incentive Stock Options shall be treated as Nonqualified Stock Options.

## **8. Stock Appreciation Rights (SARs).**

(a) Generally. Each SAR shall be subject to the conditions set forth in the Plan and the Award agreement. Any Option granted under the Plan may include tandem SARs. The Committee also may award SARs independent of any Option.

(b) Strike Price. The strike price ("**Strike Price**") per share of Common Stock for each SAR shall not be less than 100% of the Fair Market Value of such share (determined as of the Date of Grant); provided, however, that a SAR granted in tandem with (or in substitution for) an Option previously granted shall have a Strike Price equal to the Exercise Price of the corresponding Option. Any modification to the Strike Price of an outstanding SAR shall be subject to the prohibition on repricing set forth in Section 14(b).

(c) Vesting and Expiration. A SAR granted in tandem with an Option shall become exercisable and shall expire according to the same vesting schedule and expiration provisions as the corresponding Option. A SAR granted independently of an Option shall vest and become exercisable and shall expire in such manner and on such date or dates determined by the Committee and shall expire after such period, not to exceed ten years, as may be determined by the Committee (the "**SAR Period**"); provided, however, that notwithstanding any vesting or exercisability dates set by the Committee, the Committee may accelerate the vesting and/or exercisability of any SAR, which acceleration shall not affect the terms and conditions of such SAR other than with respect to vesting and/or exercisability. If the SAR Period would expire at a time when trading in the shares of Common Stock is prohibited by the Company's securities trading policy (or the Company-imposed "blackout period"), the SAR Period shall be automatically extended until the 30th day following the expiration of such prohibition (so long as such extension shall not violate Section 409A of the Code).

(d) Method of Exercise. SARs may be exercised by delivery of written or electronic notice of exercise to the Company or its designee (including a third party administrator) in accordance with the terms of the Award, specifying the number of SARs to be exercised and the date on which such SARs were awarded. Notwithstanding the foregoing, if on the last day of the Option Period (or in the case of a SAR independent of an Option, the SAR Period), the Fair Market Value exceeds the Strike Price, the Participant has not exercised the SAR or the corresponding Option (if applicable), and neither the SAR nor the corresponding Option (if applicable) has expired, such SAR shall be deemed to have been exercised by the Participant on such last day and the Company shall make the appropriate payment therefor.

(e) Payment. Upon the exercise of a SAR, the Company shall pay to the Participant an amount equal to the number of shares subject to the SAR that are being exercised multiplied by the



excess, if any, of the Fair Market Value of one share of Common Stock on the exercise date over the Strike Price, less an amount equal to any U.S. Federal, state and local income and employment taxes and non-U.S. income and employment taxes, social contributions and any other tax-related items required to be withheld. The Company shall pay such amount in cash, in shares of Common Stock valued at Fair Market Value, or any combination thereof, as determined by the Committee. Any fractional shares of Common Stock shall be settled in cash.

## **9. Restricted Stock and Restricted Stock Units.**

(a) Generally. Each Restricted Stock and Restricted Stock Unit grant shall be subject to the conditions set forth in the Plan and the Award agreement. The Committee shall establish restrictions applicable to such Restricted Stock and Restricted Stock Units, including the period over which the restrictions shall apply (the "**Restricted Period**"), and the time or times at which Restricted Stock or Restricted Stock Units shall become vested. The Committee may accelerate the vesting and/or the lapse of any or all of the restrictions on the Restricted Stock and Restricted Stock Units, which acceleration shall not affect any other terms and conditions of such Awards. No shares shall be issued at the time an Award of Restricted Stock Units is made, and the Company will not be required to set aside a fund for the payment of any such Award.

(b) Stock Certificates; Escrow or Similar Arrangement. Upon the grant of Restricted Stock, the Committee shall cause share(s) of Common Stock to be registered in the name of the Participant and held in book-entry form subject to the Company's directions. The Committee also may cause a stock certificate registered in the name of the Participant to be issued. In such event, the Committee may provide that such certificates shall be held by the Company or in escrow rather than delivered to the Participant pending vesting and release of restrictions, in which case the Committee may require the Participant to execute and deliver to the Company (i) an escrow agreement satisfactory to the Committee, if applicable, and (ii) the appropriate stock power (endorsed in blank) with respect to the Restricted Stock. If a Participant shall fail to execute and deliver the escrow agreement and blank stock power within the amount of time specified by the Committee, the Award shall be null and void. Subject to the restrictions set forth in this Section 9 and the Award agreement, the Participant shall have the rights and privileges of a shareholder as to such Restricted Stock, including without limitation the right to vote such Restricted Stock.

(c) Restrictions; Forfeiture. Restricted Stock and Restricted Stock Units awarded to a Participant shall be subject to forfeiture until the expiration of the Restricted Period and the attainment of any other vesting criteria established by the Committee, and shall be subject to the restrictions on transferability set forth in the Award agreement. In the event of any forfeiture, all rights of the Participant to such Restricted Stock (or as a shareholder with respect thereto), and/or to such Restricted Stock Units, as applicable, including to any dividends and/or dividend equivalents that may have been accumulated and withheld during the Restricted Period in respect thereof, shall terminate without further action or obligation on the part of the Company.

### (d) Delivery of Restricted Stock and Settlement of Restricted Stock Units.

(i) Upon the expiration of the Restricted Period and the attainment of any other vesting criteria, the restrictions set forth in the applicable Award agreement shall be of no further force or effect, except as set forth in the Award agreement. If an escrow arrangement is used, upon such expiration the Company shall deliver to the Participant or his beneficiary (via book entry notation or, if applicable, in stock certificate form) the shares of Restricted Stock with respect to which the Restricted Period has expired (rounded down to the nearest full share). Dividends, if any, that may have been withheld by the Committee and attributable to the

Restricted Stock shall be distributed to the Participant in cash or in shares of Common Stock having a Fair Market Value (on the date of distribution) equal to the amount of such dividends, upon the release of restrictions on such share.

(ii) Unless otherwise provided by the Committee in an Award agreement, upon the expiration of the Restricted Period and the attainment of any other vesting criteria established by the Committee, with respect to any outstanding Restricted Stock Units, the Company shall deliver to the Participant, or his beneficiary (via book entry notation or, if applicable, in stock certificate form), one share of Common Stock (or other securities or other property, as applicable) for each such outstanding Restricted Stock Unit which has not then been forfeited and with respect to which the Restricted Period has expired and any other such vesting criteria are attained (“**Released Unit**”); provided, however, that the Committee may elect to (i) pay cash or part cash and part Common Stock in lieu of delivering only shares of Common Stock in respect of such Released Units or (ii) defer the delivery of Common Stock (or cash or part Common Stock and part cash, as the case may be) beyond the expiration of the Restricted Period if such extension would not cause adverse tax consequences under Section 409A of the Code. If a cash payment is made in lieu of delivering shares of Common Stock, the amount of such payment shall be equal to the Fair Market Value of the Common Stock as of the date on which the Restricted Period lapsed with respect to such Restricted Stock Units. To the extent provided in an Award agreement, the holder of outstanding Released Units shall be entitled to be credited with dividend equivalent payments (upon the payment by the Company of dividends on shares of Common Stock) either in cash or in shares of Common Stock having a Fair Market Value equal to the amount of such dividends, which accumulated dividend equivalents (and interest thereon, if applicable) shall be payable at the same time as the underlying Restricted Stock Units are settled following the release of restrictions on such Restricted Stock Units.

**10. Other Stock-Based Awards.** The Committee may issue unrestricted Common Stock, rights to receive future grants of Awards, or other Awards denominated in Common Stock (including performance shares or performance units), under the Plan to Eligible Persons, alone or in tandem with other Awards, in such amounts as the Committee shall from time to time determine (“**Other Stock-Based Awards**”). Each Other Stock-Based Award shall be evidenced by an Award agreement which may include conditions including without limitation the payment by the Participant of the Fair Market Value of such shares of Common Stock on the Date of Grant.

#### **11. Performance Compensation Awards.**

(a) Generally. The Committee shall have the authority, at or before the time of grant of any Award described in Sections 7 through 10 of the Plan, to designate such Award as a Performance Compensation Award intended to qualify as “performance-based compensation” under Section 162(m) of the Code. In addition, the Committee shall have the authority to make an award of a cash bonus to any Participant and designate such Award as a Performance Compensation Award intended to qualify as “performance based compensation” under Section 162(m). Notwithstanding the foregoing, (i) any Award to a Participant who is a “covered employee” within the meaning of Section 162(m) for a fiscal year that satisfies the requirements of this Section 11 may be treated as a Performance Compensation Award in the absence of any such Committee designation and (ii) if the Company determines that a Participant who has been granted an Award designated as a Performance Compensation Award is not (or is no longer) a “covered employee” within the meaning of Section 162(m), the terms and conditions of such Award may be modified without regard to any restrictions or limitations set forth in this Section 11 (but subject otherwise to the provisions of Section 14 of the Plan).

(b) Discretion of Committee with Respect to Performance Compensation Awards. The Committee may select the length of a Performance Period, the type(s) of Performance Compensation Awards to be issued, the Performance Criteria used to establish the Performance Goal(s), the kind(s) and/or level(s) of the Performance Goals(s) and the Performance Formula. Within the first 90 days of a Performance Period (or the maximum period allowed under Section 162(m) of the Code), the Committee shall determine each of the matters enumerated in the immediately preceding sentence and record the same in writing (which may be in the form of minutes of a meeting of the Committee).

(c) Performance Criteria. The Performance Criteria that will be used to establish the Performance Goal(s) may be based on the attainment of specific levels of performance of the Company (and/or one or more Affiliates, divisions or operational and/or business units, product lines, brands, business segments, administrative departments, units, or any combination of the foregoing) and shall be limited to the following: (i) net earnings or net income (before or after taxes); (ii) basic or diluted earnings per share (before or after taxes); (iii) net revenue or net revenue growth; (iv) gross revenue or gross revenue growth, gross profit or gross profit growth; (v) net operating profit (before or after taxes); (vi) return measures (including, but not limited to, return on investment, assets, capital, gross revenue or gross revenue growth, invested capital, equity, or sales); (vii) cash flow (including, but not limited to, operating cash flow, free cash flow, and cash flow return on capital), which may but are not required to be measured on a per share basis; (viii) earnings before or after taxes, interest, depreciation and/or amortization (including EBIT and EBITDA); (ix) gross or net operating margins; (x) share price (including, but not limited to, growth measures and total shareholder return); (xi) expense targets or cost reduction goals, general and administrative expense savings; (xii) margins; (xiii) enterprise value; (xiv) sales; (xv) shareholder return; (xvi) objective measures of personal targets, goals or completion of projects; (xvii) cost of capital, debt leverage year-end cash position or book value; or (xviii) strategic objectives, development of new product lines and related revenue, sales and margin targets, or international operations. Any one or more of the Performance Criteria may be stated as a percentage of another Performance Criteria, or a percentage of a prior period's Performance Criteria, or used on an absolute, relative or adjusted basis to measure the performance of the Company and/or one or more Affiliates as a whole or any divisions or operational and/or business units, product lines, brands, business segments, administrative departments of the Company and/or one or more Affiliates or any combination thereof, as the Committee may deem appropriate, or any of the above Performance Criteria may be compared to the performance of a group of comparator companies, or a published or special index that the Committee deems appropriate, or as compared to various stock market indices. The Committee also has the authority to provide for accelerated vesting, delivery and exercisability of any Award based on the achievement of Performance Goals pursuant to the Performance Criteria specified in this paragraph. To the extent required under Section 162(m) of the Code, the Committee shall, within the first 90 days of a Performance Period (or within the maximum period allowed under Section 162(m) of the Code), define in an objective fashion the manner of calculating the Performance Criteria it selects to use for such Performance Period.

(d) Modification of Performance Goal(s). The Committee may alter Performance Criteria without obtaining shareholder approval if applicable tax and/or securities laws so permit. The Committee may modify the calculation of a Performance Goal during the first 90 days of a Performance Period (or within the maximum period allowed under Section 162(m) of the Code), or at any time thereafter if the change would not cause any Performance Compensation Award to fail to qualify as "performance-based compensation" under Section 162(m), to reflect any of the following events: (i) asset write-downs; (ii) litigation or claim judgments or settlements; (iii) the effect of changes in tax laws, accounting principles, or other laws or regulatory rules affecting reported results; (iv) any reorganization and restructuring programs; (v) extraordinary nonrecurring items as described in Accounting Standards Codification Topic 225-20 (or any successor pronouncement thereto) and/or in management's discussion and analysis of financial condition and results of operations appearing in the Company's annual report to shareholders for

the applicable year; (vi) acquisitions or divestitures; (vii) any other specific unusual or nonrecurring events, or objectively determinable category thereof; (viii) foreign exchange gains and losses; (ix) discontinued operations and nonrecurring charges; and (x) a change in the Company's fiscal year.

(e) Payment of Performance Compensation Awards.

(i) **Payment.** A Participant must be employed by or rendering services for the Company or an Affiliate on the last day of a Performance Period to be eligible for payment of a Performance Compensation Award for such period.

(ii) **Limitation.** A Participant shall be eligible to receive payment of a Performance Compensation Award only to the extent the Committee determines that the Performance Goals for such period are achieved; provided, however, that in the event of the termination of a Participant's employment or service by the Company other than for Cause within 12 months following a Change in Control, or due to the Participant's death or Disability, the Participant shall receive payment in respect of a Performance Compensation Award based on (1) actual performance through the date of termination as determined by the Committee, or (2) if the Committee determines that measurement of actual performance cannot be reasonably assessed, the assumed achievement of target performance as determined by the Committee (but not to the extent that application of this clause (2) would cause Section 162(m) of the Code to result in the loss of the deduction of the compensation payable in respect of such Performance Compensation Award for any Participant reasonably expected to be a "covered employee" within the meaning of Section 162(m) of the Code), in each case prorated based on the time elapsed from the date of grant to the date of termination of employment or service.

(iii) **Certification.** Following the completion of a Performance Period, the Committee shall review and certify in writing (which may be in the form of minutes of a meeting of the Committee) whether, and to what extent, the Performance Goals for the Performance Period have been achieved and, if so, calculate and certify in writing (which may be in the form of minutes of a meeting of the Committee) that amount of the Performance Compensation Awards earned for the period based upon the Performance Formula. The Committee shall then determine the amount of each Participant's Performance Compensation Award actually payable for the Performance Period and, in so doing, may apply discretion to eliminate or reduce the size of a Performance Compensation Award consistent with Section 162(m) of the Code. Unless otherwise provided in the applicable Award agreement, the Committee shall not have the discretion to (A) provide payment or delivery in respect of Performance Compensation Awards for a Performance Period if the Performance Goals for such Performance Period have not been attained; or (B) increase a Performance Compensation Award above the applicable limitations set forth in Section 6 of the Plan.

(f) **Timing of Award Payments.** Unless otherwise provided in the applicable Award agreement, Performance Compensation Awards granted for a Performance Period shall be paid to Participants as soon as administratively practicable following completion of the certifications required by this Section 11. Any Performance Compensation Award that has been deferred shall not (between the date as of which the Award is deferred and the payment date) increase (i) with respect to a Performance Compensation Award that is payable in cash, by a measuring factor for each fiscal year greater than a reasonable rate of interest set by the Committee or (ii) with respect to a Performance Compensation Award that is payable in shares of Common Stock, by an amount greater than the appreciation of a share of Common Stock from the date such Award is deferred to the payment date. Unless otherwise provided in an Award agreement, any Performance Compensation Award that is deferred and is otherwise payable in shares of Common Stock shall be credited (during the period between the date as of which the Award is deferred and the payment date) with dividend equivalents (in a manner consistent with the methodology set forth in the last sentence of Section 9(d)(ii)).

**12. Changes in Capital Structure and Similar Events.** In the event of (a) any dividend (other than regular cash dividends) or other distribution (whether in the form of cash, shares of Common Stock, other securities or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, split-off, spin-off, combination, repurchase or exchange of shares of Common Stock or other securities of the Company, issuance of warrants or other rights to acquire shares of Common Stock or other securities of the Company, or other similar corporate transaction or event (including, without limitation, a Change in Control) that affects the shares of Common Stock, or (b) unusual or nonrecurring events (including, without limitation, a Change in Control) affecting the Company, any Affiliate, or the financial statements of the Company or any Affiliate, or changes in applicable rules, rulings, regulations or other requirements of any governmental body or securities exchange or inter-dealer quotation service, accounting principles or law, such that in any case an adjustment is determined by the Committee to be necessary or appropriate, then the Committee shall make any such adjustments in such manner as it may deem equitable, including without limitation any or all of the following: (i) adjusting any or all of (A) the number of shares of Common Stock or other securities of the Company (or number and kind of other securities or other property) which may be delivered in respect of Awards or with respect to which Awards may be granted under the Plan (including, without limitation, adjusting any or all of the limitations under Section 5 of the Plan) and (B) the terms of any outstanding Award, including, without limitation, the Exercise Price, Strike Price or any applicable performance measures; (ii) providing for a substitution or assumption of Awards (or awards of an acquiring company), accelerating the delivery, vesting and/or exercisability of, lapse of restrictions and/or other conditions on, or termination of, Awards or providing for a period of time (which shall not be required to be more than ten (10) days) for Participants to exercise outstanding Awards prior to the occurrence of such event (and any such Award not so exercised shall terminate upon the occurrence of such event); and (iii) cancelling any one or more outstanding Awards (or awards of an acquiring company) and causing to be paid to the holders thereof, in cash, shares of Common Stock, other securities or other property, or any combination thereof, the value of such Awards, if any, as determined by the Committee (which if applicable may be based upon the price per share of Common Stock received or to be received by other shareholders of the Company in such event), including without limitation, in the case of an outstanding Option or SAR, a cash payment in an amount equal to the excess, if any, of the Fair Market Value (as of a date specified by the Committee) of the shares of Common Stock subject to such Option or SAR over the aggregate Exercise Price or Strike Price of such Option or SAR, respectively (it being understood that, in such event, any Option or SAR having a per share Exercise Price or Strike Price equal to, or in excess of, the Fair Market Value of a share of Common Stock subject thereto may be canceled and terminated without any payment or consideration therefor); provided, however, that the Committee shall make an equitable or proportionate adjustment to outstanding Awards to reflect any "equity restructuring" (within the meaning of the Financial Accounting Standards Codification Topic 718 (or any successor pronouncement thereto)). Except as otherwise determined by the Committee, any adjustment in Incentive Stock Options under this Section 12 (other than any cancellation of Incentive Stock Options) shall be made only to the extent not constituting a "modification" within the meaning of Section 424(h)(3) of the Code, and any adjustments under this Section 12 shall be made in a manner which does not adversely affect the exemption provided pursuant to Rule 16b-3 under the Exchange Act. The Company shall give each Participant notice of an adjustment hereunder and, upon notice, such adjustment shall be conclusive and binding for all purposes.

**13. Effect of Change in Control.** In the event of a Change in Control, notwithstanding any provision of the Plan to the contrary:

(a) In the event a Participant's employment with the Company or an Affiliate is terminated by the Company or Affiliate without Cause (and other than due to death or Disability) on or within 12 months following a Change of Control, notwithstanding any provision of the Plan to the contrary, all Options and SARs held by such Participant shall become immediately exercisable with respect to 100 percent of the shares subject to such Options and SARs, and the Restricted Period (and any other conditions) shall expire immediately with respect to 100 percent of the shares of Restricted Stock and Restricted Stock Units and any other Awards held by such Participant (including a waiver of any applicable Performance Goals); provided that in the event the vesting or exercisability of any Award would otherwise be subject to the achievement of performance conditions, the portion of such Award that shall become fully vested and immediately exercisable shall be based on the assumed achievement of target performance as determined by the Committee and prorated for the number of days elapsed from the grant date of such Award through the date of termination.

(b) In addition, the Committee may upon at least 10 days' advance notice to the affected persons, cancel any outstanding Award and pay to the holders thereof, in cash, securities or other property (including of the acquiring or successor company), or any combination thereof, the value of such Awards based upon the price per share of Common Stock received or to be received by other shareholders of the Company in the event. Notwithstanding the above, the Committee shall exercise such discretion over any Award subject to Code Section 409A at the time such Award is granted.

The obligations of the Company under the Plan shall be binding upon any successor corporation or organization resulting from the merger, consolidation or other reorganization of the Company, or upon any successor corporation or organization succeeding to substantially all of the assets and business of the Company.

To the extent practicable, the provisions of this Section 13 shall occur in a manner and at a time which allows affected Participants the ability to participate in the Change in Control transaction with respect to the Common Stock subject to their Awards.

**14. Amendments and Termination.**

(a) Amendment and Termination of the Plan. The Board may amend, alter, suspend, discontinue, or terminate the Plan or any portion thereof at any time; provided, that no such amendment, alteration, suspension, discontinuation or termination shall be made without shareholder approval if such approval is necessary to comply with any tax or regulatory requirement applicable to the Plan (including, without limitation, as necessary to comply with any rules or requirements of any securities exchange or inter-dealer quotation service on which the shares of Common Stock may be listed or quoted or for changes in GAAP to new accounting standards, to prevent the Company from being denied a tax deduction under Section 162(m) of the Code); provided, further, that any such amendment, alteration, suspension, discontinuance or termination that would materially and adversely affect the rights of any Participant or any holder or beneficiary of any Award theretofore granted shall not to that extent be effective without the consent of the affected Participant, holder or beneficiary, unless the Committee determines that such either is required or advisable in order for the Company, the Plan or the Award to satisfy any applicable law or regulation. Notwithstanding the foregoing, no amendment shall be made to the last proviso of Section 14(b) without shareholder approval.

(b) Amendment of Award Agreements. The Committee may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any Award theretofore granted or the associated Award agreement, prospectively or retroactively (including after a Participant's termination of employment or service with the Company); provided that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would materially and adversely

affect the rights of any Participant with respect to any Award theretofore granted shall not to that extent be effective without the consent of the affected Participant unless the Committee determines that such either is required or advisable in order for the Company, the Plan or the Award to satisfy any applicable law or regulation; provided, further, that except as otherwise permitted under Section 12 of the Plan, if (i) the Committee reduces the Exercise Price of any Option or the Strike Price of any SAR, (ii) the Committee cancels any outstanding Option or SAR and replaces it with a new Option or SAR (with a lower Exercise Price or Strike Price, as the case may be) or other Award or cash in a manner which would either (A) be reportable on the Company's proxy statement or Form 10-K (if applicable) as Options which have been "repriced" (as such term is used in Item 402 of Regulation S-K promulgated under the Exchange Act), or (B) result in any "repricing" for financial statement reporting purposes (or otherwise cause the Award to fail to qualify for equity accounting treatment) or (iii) the Committee takes any other action which is considered a "repricing" for purposes of the shareholder approval rules of the applicable securities exchange or inter-dealer quotation service on which the Common Stock is listed or quoted, then, in the case of the immediately preceding clauses (i) through (iii), any such action shall not be effective without shareholder approval.

## 15. General.

(a) Award Agreements; Other Agreements. Each Award under the Plan shall be evidenced by an Award agreement, which shall be delivered to the Participant and shall specify the terms and conditions of the Award and any rules applicable thereto. An Award agreement may be in written or electronic form and shall be signed (either in written or electronic form) by the Participant and a duly authorized representative of the Company. The terms of any Award agreement, or any employment, change-in-control, severance or other agreement in effect with the Participant, may have terms or features different from and/or additional to those set forth in the Plan, and, unless expressly provided otherwise in such Award or other agreement, shall control in the event of any conflict with the terms of the Plan.

(b) Nontransferability.

(i) Each Award shall be exercisable only by a Participant during the Participant's lifetime, or, if permissible under applicable law, by the Participant's legal guardian or representative. No Award may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant other than by will or by the laws of descent and distribution and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or an Affiliate; provided that the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance.

(ii) Notwithstanding the foregoing, the Committee may permit Awards (other than Incentive Stock Options) to be transferred by a Participant, without consideration, subject to such rules as the Committee may adopt, to: (A) any person who is a "family member" of the Participant, as such term is used in the instructions to Form S-8 under the Securities Act or any successor form of registration statements promulgated by the Securities and Exchange Commission (collectively, the "Immediate Family Members"); (B) a trust solely for the benefit of the Participant and his Immediate Family Members; (C) a partnership or limited liability company whose only partners or shareholders are the Participant and his Immediate Family Members; or (D) any other transferee as may be approved either (I) by the Board or the Committee, or (II) as provided in the applicable Award agreement; (each transferee described in clauses (A), (B), (C) and (D) above is hereinafter referred to as a "**Permitted Transferee**"); provided that the Participant gives the Committee advance written notice describing the terms and conditions of the proposed transfer and the Committee notifies the Participant in writing that such a transfer would comply with the requirements of the Plan.

(iii) The terms of any Award transferred in accordance with the immediately preceding sentence shall apply to the Permitted Transferee and any reference in the Plan, or in any applicable Award agreement, to a Participant shall be deemed to refer to the Permitted Transferee, except that (A) Permitted Transferees shall not be entitled to transfer any Award, other than by will or the laws of descent and distribution; (B) Permitted Transferees shall not be entitled to exercise any transferred Option unless there shall be in effect a registration statement on an appropriate form covering the shares of Common Stock to be acquired pursuant to the exercise of such Option if the Committee determines, consistent with any applicable Award agreement, that such a registration statement is necessary or appropriate; (C) the Committee or the Company shall not be required to provide any notice to a Permitted Transferee, whether or not such notice is or would otherwise have been required to be given to the Participant under the Plan or otherwise; and (D) the consequences of the termination of the Participant's employment by, or services to, the Company or an Affiliate under the terms of the Plan and the applicable Award agreement shall continue to be applied with respect to the Permitted Transferee, including, without limitation, that an Option shall be exercisable by the Permitted Transferee only to the extent, and for the periods, specified in the Plan and the applicable Award agreement.

(c) Dividends and Dividend Equivalents. The Committee may provide a Participant as part of an Award with dividends or dividend equivalents, payable in cash, shares of Common Stock, other securities, other Awards or other property, on a current or deferred basis, on such terms and conditions as may be determined by the Committee; provided, that no dividend equivalents shall be payable in respect of outstanding (i) Options or SARs or (ii) unearned Performance Compensation Awards or other unearned Awards subject to performance conditions other than or in addition to the passage of time; however, dividend equivalents may be accumulated in respect of unearned Awards and paid as soon as administratively practicable, but no more than 60 days, after such Awards are earned and become payable or distributable.

(d) Tax Withholding.

(i) A Participant shall be required to pay and the Company or any Affiliate shall have the right and is hereby authorized to withhold, from any cash, shares of Common Stock, other securities or other property deliverable under any Award or from any compensation or other amounts owing to a Participant, the amount of any required withholding taxes in respect of an Award, its exercise, or any payment or transfer under an Award or under the Plan and to take such other action as the Committee or the Company deem necessary to satisfy all obligations for the payment of such withholding taxes.

(ii) Without limiting the generality of clause (i) above, the Committee may permit a Participant to satisfy, in whole or in part, the foregoing withholding liability by (A) payment in cash; (B) the delivery of shares of Common Stock owned by the Participant having a Fair Market Value equal to such withholding liability or (C) having the Company withhold from the number of shares of Common Stock otherwise issuable or deliverable pursuant to the exercise or settlement of the Award a number of shares with a Fair Market Value equal to such withholding liability.

(e) No Claim to Awards; No Rights to Continued Employment. No employee of the Company or an Affiliate, or other person, shall have any claim or right to be granted an Award under the Plan or, having been selected for the grant of an Award, to be selected for a grant of any other Award.



There is no obligation for uniformity of treatment of Participants or holders or beneficiaries of Awards. The terms and conditions of Awards and the Committee's determinations and interpretations with respect thereto need not be the same with respect to each Participant and may be made selectively among Participants, whether or not such Participants are similarly situated. Neither the Plan nor any action taken hereunder shall be construed as giving any Participant any right to be retained in the employ or service of the Company or an Affiliate, nor shall it be construed as giving any Participant any rights to continued service on the Board.

(f) International Participants. With respect to Participants who reside or work outside of the United States and who are not "covered employees" within the meaning of Section 162(m) of the Code, the Committee may amend the terms of the Plan or appendices thereto, or outstanding Awards in order to conform such terms with or accommodate the requirements of local laws, procedures or practices or to obtain more favorable tax or other treatment for a Participant, the Company or its Affiliates. Without limiting the generality of this subsection, the Committee is specifically authorized to adopt rules, procedures and sub-plans with provisions that limit or modify rights on death, disability, retirement or other termination of employment, available methods of exercise or settlement of an award, payment of income, social insurance contributions or payroll taxes, withholding procedures and handling of any stock certificates or other indicia of ownership which vary with local requirements. The Committee may also adopt rules, procedures or sub-plans applicable to particular Affiliates or locations.

(g) Beneficiary Designation. A Participant's beneficiary shall be deemed to be his spouse (or domestic partner if such status is recognized by the Company and in such jurisdiction), or if the Participant is otherwise unmarried at the time of death, his estate, except to the extent a different beneficiary is designated in accordance with procedures that may be established by the Committee from time to time for such purpose. Notwithstanding the foregoing, in the absence of a beneficiary validly designated under such Committee-established procedures and/or applicable law who is living (or in existence) at the time of death of a Participant residing or working outside the United States, any required distribution under the Plan shall be made to the executor or administrator of the estate of the Participant, or to such other individual as may be prescribed by applicable law.

(h) No Rights as a Shareholder. Except as otherwise specifically provided in the Plan or any Award agreement, no person shall be entitled to the privileges of ownership in respect of shares of Common Stock which are subject to Awards hereunder until such shares have been issued or delivered to that person.

(i) Government and Other Regulations.

(i) Nothing in this Plan shall be deemed to authorize the Committee or Board or any members thereof to take any action contrary to applicable law or regulation, or rules of the NYSE.

(ii) The obligation of the Company to settle Awards in Common Stock or other consideration shall be subject to all applicable laws, rules, and regulations, and to such approvals by governmental agencies as may be required. The Company shall be under no obligation to offer to sell or to sell, and shall be prohibited from offering to sell or selling, any shares of Common Stock pursuant to an Award unless such shares have been properly registered for sale pursuant to the Securities Act with the Securities and Exchange Commission or unless the Company has received an opinion of counsel, satisfactory to the Company, that such shares may be offered or sold without such registration pursuant to and in compliance with the terms of an available exemption. The Company shall be under no obligation to register for sale under the Securities Act any of the shares of Common Stock to be offered or sold under the Plan. The

Committee shall have the authority to provide that all shares of Common Stock or other securities of the Company or any Affiliate delivered under the Plan shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan, the applicable Award agreement, the U.S. Federal securities laws, or the rules, regulations and other requirements of the U.S. Securities and Exchange Commission, any securities exchange or inter-dealer quotation service upon which such shares or other securities of the Company are then listed or quoted and any other applicable Federal, state, local or non-U.S. laws, rules, regulations and other requirements, and, without limiting the generality of Section 9 of the Plan, the Committee may cause a legend or legends to be put on any such certificates of Common Stock or other securities of the Company or any Affiliate delivered under the Plan to make appropriate reference to such restrictions or may cause such Common Stock or other securities of the Company or any Affiliate delivered under the Plan in book-entry form to be held subject to the Company's instructions or subject to appropriate stop-transfer orders.

(iii) The Committee may cancel an Award or any portion thereof if it determines that legal or contractual restrictions and/or blockage and/or other market considerations would make the Company's acquisition of shares of Common Stock from the public markets, the Company's issuance of Common Stock to the Participant, the Participant's acquisition of Common Stock from the Company and/or the Participant's sale of Common Stock to the public markets, illegal, impracticable or inadvisable. If the Committee determines to cancel all or any portion of an Award in accordance with the foregoing, unless prevented by applicable laws, the Company shall pay to the Participant an amount equal to the excess of (A) the aggregate Fair Market Value of the shares of Common Stock subject to such Award or portion thereof canceled (determined as of the applicable exercise date, or the date that the shares would have been vested or delivered, as applicable), over (B) the aggregate Exercise Price or Strike Price (in the case of an Option or SAR, respectively) or any amount payable as a condition of delivery of shares of Common Stock (in the case of any other Award). Such amount shall be delivered to the Participant as soon as practicable following the cancellation of such Award or portion thereof.

(j) No Section 83(b) Elections Without Consent of Company. No election under Section 83(b) of the Code or under a similar provision of law may be made unless expressly permitted by the terms of the applicable Award agreement or by action of the Committee in writing prior to the making of such election. If a Participant, in connection with the acquisition of shares of Common Stock under the Plan or otherwise, is expressly permitted to make such election and the Participant makes the election, the Participant shall notify the Company of such election within ten days of filing notice of the election with the Internal Revenue Service or other governmental authority, in addition to any filing and notification required pursuant to Section 83(b) of the Code or other applicable provision.

(k) No Trust or Fund Created. Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Affiliate, on the one hand, and a Participant or other person or entity, on the other hand. No provision of the Plan or any Award shall require the Company, for the purpose of satisfying any obligations under the Plan, to purchase assets or place any assets in a trust or other entity to which contributions are made or otherwise to segregate any assets, nor shall the Company maintain separate bank accounts, books, records or other evidence of the existence of a segregated or separately maintained or administered fund for such purposes. Participants shall have no rights under the Plan other than as unsecured general creditors of the Company.

(l) Reliance on Reports. Each member of the Committee and each member of the Board (and their respective designees) shall be fully justified in acting or failing to act, as the case may be, and shall not be liable for having so acted or failed to act in good faith, in reliance upon any report made by

the independent registered public accounting firm of the Company and its Affiliates and/or any other information furnished in connection with the Plan by any agent of the Company or the Committee or the Board, other than himself.

(m) Relationship to Other Benefits. No payment under the Plan shall be taken into account in determining any benefits under any pension, retirement, profit sharing, group insurance or other benefit plan of the Company except as otherwise specifically provided in such other plan.

(n) Governing Law. The Plan shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflicts of laws thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the State of Delaware.

(o) Severability. If any provision of the Plan or any Award or Award agreement is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction or as to any person or entity or Award, or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to the applicable laws, or if it cannot be construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Award, such provision shall be construed or deemed stricken as to such jurisdiction, person or entity or Award and the remainder of the Plan and any such Award shall remain in full force and effect.

(p) Obligations Binding on Successors. The obligations of the Company under the Plan shall be binding upon any successor corporation or organization resulting from the merger, consolidation or other reorganization of the Company, or upon any successor corporation or organization succeeding to all or substantially all of the assets and business of the Company.

(q) 409A of the Code.

(i) It is intended that this Plan comply with Section 409A of the Code, and all provisions of this Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A of the Code. Each Participant is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or in respect of such Participant in connection with this Plan, including any taxes and penalties under Section 409A of the Code, and neither the Company nor any Affiliate shall have any obligation to indemnify or otherwise hold such Participant or any beneficiary harmless from such taxes or penalties. With respect to any Award that is considered "deferred compensation" subject to Section 409A of the Code, references in the Plan to "termination of employment" (and substantially similar phrases) shall mean "separation from service" within the meaning of Section 409A of the Code. For purposes of Section 409A of the Code, each of the payments that may be made in respect of any Award granted under the Plan is designated as a separate payment.

(ii) Notwithstanding anything in the Plan to the contrary, if a Participant is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, no payments or deliveries in respect of any Awards that are "deferred compensation" subject to Section 409A of the Code shall be made to such Participant prior to the date that is six months after the date of such Participant's "separation from service" or, if earlier, the Participant's date of death. All such delayed payments or deliveries will be paid or delivered (without interest) in a single lump sum on the earliest date permitted under Section 409A of the Code that is also a business day.

(iii) In the event that the timing of payments in respect of any Award that would otherwise be considered “deferred compensation” subject to Section 409A of the Code would be accelerated upon the occurrence of (A) a Change in Control, no such acceleration shall be permitted unless the event giving rise to the Change in Control satisfies the definition of a change in the ownership or effective control of a corporation, or a change in the ownership of a substantial portion of the assets of a corporation pursuant to Section 409A of the Code and any Treasury Regulations promulgated thereunder or (B) a Disability, no such acceleration shall be permitted unless the Disability also satisfies the definition of “Disability” pursuant to Section 409A of the Code and any Treasury Regulations promulgated thereunder.

(r) Clawback/Forfeiture. Notwithstanding anything to the contrary contained herein, an Award agreement may provide that the Committee may cancel such Award if the Participant, without the consent of the Company, has engaged in or engages in activity that is in conflict with or adverse to the interest of the Company or any Affiliate while employed by or providing services to the Company or any Affiliate, including fraud or conduct contributing to any financial restatements or irregularities, or violates a non-competition, non-solicitation, non-disparagement or non-disclosure covenant or agreement with the Company or any Affiliate, as determined by the Committee. The Committee may also provide in an Award agreement that in such event, the Participant will forfeit any compensation, gain or other value realized thereafter on the vesting, exercise or settlement of such Award, the sale or other transfer of such Award, or the sale of shares of Common Stock acquired in respect of such Award, and must promptly repay such amounts to the Company. The Committee may also provide in an Award agreement that if the Participant receives any amount in excess of what the Participant should have received under the terms of the Award for any reason (including without limitation by reason of a financial restatement, mistake in calculations or other administrative error), all as determined by the Committee, then the Participant shall be required to promptly repay any such excess amount to the Company. To the extent required by applicable law and/or the rules and regulations of the NYSE or other securities exchange or inter-dealer quotation system on which the Common Stock is listed or quoted, or if so required pursuant to a written policy adopted by the Company, Awards shall be subject (including on a retroactive basis) to clawback, forfeiture or similar requirements (and such requirements shall be deemed incorporated by reference into all outstanding Award agreements).

(s) No Representations Or Covenants With Respect To Tax Qualification. Although the Company may endeavor to (i) qualify an Award for favorable U.S. or non-U.S. tax treatment or (ii) avoid adverse tax treatment, the Company makes no representation to that effect and expressly disavows any covenant to maintain favorable or avoid unfavorable tax treatment. The Company shall be unconstrained in its corporate activities without regard to the potential negative tax impact on holders of Awards under the Plan.

(t) Code Section 162(m) Re-approval. If the Company becomes subject to the provisions of Section 162(m) of the Code, the Committee may, for purposes of exempting certain Awards granted after such time from the deduction limitations of Section 162(m) of the Code, submit the provisions of the Plan regarding Performance Compensation Awards for re-approval by the shareholders of the Company (i) prior to the first shareholder meeting at which directors are to be elected that occurs in calendar year 2016, or such earlier time as required under applicable Treasury Regulations, and (ii) thereafter not later than every five years in accordance with applicable Treasury Regulations. Nothing in this subsection, however, shall affect the validity of Awards granted after such time if such shareholder approval has not been obtained.

(u) Expenses; Gender; Titles and Headings. The expenses of administering the Plan shall be borne by the Company and its Affiliates. Masculine pronouns and other words of masculine gender shall refer to both men and women. The titles and headings of the sections in the Plan are for convenience of reference only, and in the event of any conflict, the text of the Plan, rather than such titles or headings shall control.

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As adopted by the Board of Directors of the Company on April 2, 2013.

As approved by the shareholders of the Company on April 16, 2013.

**Consent of Independent Registered Public Accounting Firm**

The Board of Directors  
Intelsat S.A.:

We consent to use of our report incorporated by reference herein, which report appears in Intelsat S.A.'s registration statement on Form F-1 (File No. 333-181527).

/s/ KPMG LLP

McLean, Virginia  
April 17, 2013