

LORAL SPACE & COMMUNICATIONS INC.  
Form S-3/A  
August 11, 2008

As filed with the Securities and Exchange Commission on August 11, 2008  
Registration No. 333-138652

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

Amendment No. 1  
to

Form S-3

REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

**LORAL SPACE & COMMUNICATIONS INC.**  
*(Exact Name of Registrant as specified in its charter)*

**Delaware**  
*(State or other jurisdiction of  
incorporation or organization)*

**87-0748324**  
*(IRS Employer  
Identification Number)*

**600 Third Avenue  
New York, New York 10016  
(212) 697-1105**

*(Address, including zip code, and telephone number, including area code of registrant's principal executive offices)*

**Avi Katz, Esq.  
Senior Vice President and General Counsel  
Loral Space & Communications Inc.  
600 Third Avenue  
New York, New York  
(212) 697-1105**

*(Name, address, including zip code and telephone number, including area code of agent for service)*

*Copies to:*

**Bruce R. Kraus, Esq.  
Willkie Farr & Gallagher LLP  
787 Seventh Avenue  
New York, New York 10019  
(212) 728-8000**

**Approximate date of commencement of proposed sale to the public:** From time to time after the effective date of this Registration Statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box:

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box:

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

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. (Check one):

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

**The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.**

**CALCULATION OF REGISTRATION FEE**

| Title of Each Class of Securities to be Registered        | Amount to be Registered(1) | Proposed Maximum Offering Price per Unit(1)(2) | Proposed Maximum Aggregate Offering Price(1)(3) | Amount of Registration Fee |
|---|----------------------------|--|---|----------------------------|
| Debt Securities, Preferred Stock, Common Stock, Warrants, | (4)                        | (4)  | (4)   | (4)                        |

Subscription Rights and such indeterminate amount of Debt Securities, Preferred Stock and Common Stock as may be issued upon conversion or exchange for, or upon exercise of, any other securities registered hereunder that provide for such conversion, exercise or exchange into Debt Securities, Preferred Stock or Common Stock

|       |                |       |                |               |
|-------|----------------|-------|----------------|---------------|
| Total | \$ 500,000,000 | 100 % | \$ 500,000,000 | \$ 53,500 (5) |
|-------|----------------|-------|----------------|---------------|

- (1) In United States dollars or the equivalent thereof in any other currency, currency units, or composite currency or currencies at the dates of issuance.
- (2) The proposed maximum offering price per unit will be determined from time to time by Loral Space & Communications Inc. in connection with the issuance by the registrant of the securities registered hereunder.
- (3) Estimated solely for the purpose of calculating the amount of the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended (the Securities Act ).
- (4) Not required to be included in accordance with General Instruction II.D. of Form S-3 under the Securities Act.
- (5) This registration fee was previously paid in connection with the filing of the original registration statement, filed with the Securities and Exchange Commission on November 13, 2006 (SEC Registration No. 333-138652).

| Title of Shares to be Registered  | Amount to be Registered | Proposed Maximum Offering Price per Share(1) | Maximum Aggregate Offering Price(1) | Amount of Registration Fee |
|---|-------------------------|--|-------------------------------------|----------------------------|
| Common Stock, par value \$.01 per share, to be sold by Selling Stockholders | 7,180,629               | \$29.18(1)                                   | \$209,530,754(1)                    | \$22,419.79(2)             |
| Common Stock, par value \$.01 per share, to be sold by Selling Stockholders | 2,108                   | \$15.525(3)                                  | \$32,727(3)                         | \$1.29(4)                  |

- (1) Estimated solely for the purposes of calculating the amount of the registration fee pursuant to Rule 457(c) under the Securities Act based on the average of the high and low reported sales prices on the Nasdaq National Market on November 8, 2006.
- (2) This registration fee with respect to 7,180,629 shares of common stock in the amount of \$22,419.79 was previously paid in connection with the filing of the original registration statement, filed with the Securities and Exchange Commission on November 13, 2006 (SEC Registration No. 333-138652).
- (3) Estimated solely for the purposes of calculating the amount of the registration fee pursuant to Rule 457(c) under the Securities Act based on the average of the high and low reported sales prices on the Nasdaq National Market on August 4, 2008.
- (4) This registration fee with respect to 2,108 additional shares of common stock in the amount of \$1.29 is being paid in connection with the filing of this Amendment No. 1.



The information contained in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

**SUBJECT TO COMPLETION, DATED AUGUST 11, 2008**

**PROSPECTUS**

**LORAL SPACE & COMMUNICATIONS INC.**

**\$500,000,000**

**Debt Securities, Common Stock,  
Preferred Stock, Warrants and Subscription Rights**

**7,182,737 Shares  
Common Stock**

We or our majority-owned subsidiaries may from time to time offer up to \$500,000,000 in aggregate initial offering price of debt securities, shares of preferred stock, shares of common stock, warrants to purchase debt or equity securities and subscription rights.

Our common stock is traded on the Nasdaq National Market under the symbol LORL. On August 8, 2008, the last reported sale price for our common stock on the Nasdaq National Market was \$17.00 per share. We will apply to list any shares of common stock sold under this prospectus and any prospectus supplement on the Nasdaq National Market. We have not determined whether we will list any other securities we may offer on any exchange or over-the-counter market. If we decide to seek listing of any securities, a prospectus supplement will disclose the exchange or market.

Affiliates of MHR Fund Management LLC may sell up to 7,182,737 shares of our common stock as selling shareholders under this prospectus and any prospectus supplement, from time to time, in one or more offerings. We will not receive any proceeds from such sales.

When we offer securities, we will provide specific terms of such securities in supplements to this prospectus. The securities offered by this prospectus and any prospectus supplement may be offered directly or through underwriters or dealers. If any underwriters are involved in the sale of any securities offered by this prospectus and any prospectus supplement, their names, and any applicable purchase price, fee, commission or discount arrangement between or among them, will be set forth, or will be calculable from the information set forth, in the applicable prospectus supplement.

You should read this prospectus and any prospectus supplement carefully before you invest in any of our securities.

**Investing in our securities involves risks. Risks associated with an investment in our securities will be described in the applicable prospectus supplement and certain of our filings with the Securities and Exchange Commission, as described under Risk Factors on page 2.**

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is \_\_\_\_\_, 2008.

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**TABLE OF CONTENTS**

|  | <b>Page</b> |
|--|-------------|
| ABOUT THIS PROSPECTUS  | 1           |
| ABOUT LORAL  | 1           |
| RISK FACTORS   | 2           |
| FORWARD-LOOKING STATEMENTS   | 2           |
| DEFICIENCY OF EARNINGS TO COVER FIXED CHARGES                              | 2           |
| USE OF PROCEEDS  | 3           |
| SELLING STOCKHOLDERS   | 3           |
| PLAN OF DISTRIBUTION   | 4           |
| DESCRIPTION OF DEBT SECURITIES   | 7           |
| DESCRIPTION OF COMMON STOCK  | 14          |
| DESCRIPTION OF PREFERRED STOCK   | 15          |
| DESCRIPTION OF WARRANTS  | 17          |
| DESCRIPTION OF SUBSCRIPTION RIGHTS   | 18          |
| CERTAIN PROVISIONS OF DELAWARE LAW AND OF THE COMPANY'S CHARTER AND BYLAWS | 19          |
| LEGAL MATTERS  | 21          |
| EXPERTS  | 21          |
| WHERE YOU CAN FIND MORE INFORMATION  | 21          |

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## ABOUT THIS PROSPECTUS

This prospectus is a part of a registration statement that we filed with the Securities and Exchange Commission (the SEC) utilizing a shelf registration process. Under this shelf registration process, we may sell any combination of the securities described in this prospectus in one or more offerings up to a total dollar amount of \$500 million. In addition, certain funds affiliated with MHR Fund Management LLC may sell up to 7,182,737 shares of our common stock under our shelf registration statement. This prospectus provides you with a general description of the securities we or any selling stockholder may offer. Each time we sell securities under this shelf registration, we will provide a prospectus supplement that will contain specific information about the terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with additional information described under the heading *Where You Can Find More Information*.

We have not authorized any dealer, salesman or other person to give any information or to make any representation other than those contained or incorporated by reference in this prospectus and the accompanying supplement to this prospectus. You must not rely upon any information or representation not contained or incorporated by reference in this prospectus or the accompanying prospectus supplement. This prospectus and the accompanying supplement to this prospectus do not constitute an offer to sell or the solicitation of an offer to buy any securities other than the registered securities to which they relate, nor do this prospectus and the accompanying supplement to this prospectus constitute an offer to sell or the solicitation of an offer to buy securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. You should not assume that the information contained in this prospectus and the accompanying prospectus supplement is accurate on any date subsequent to the date set forth on the front of the document or that any information we have incorporated by reference is correct on any date subsequent to the date of the document incorporated by reference, even though this prospectus and any accompanying prospectus supplement is delivered or securities are sold on a later date.

When we refer to *we*, *our* and *us* in this prospectus, we mean Loral Space & Communications Inc., excluding, unless the context otherwise requires or as otherwise expressly stated, our subsidiaries.

## ABOUT LORAL

Through our subsidiaries, we are a leading satellite communications company with substantial activities in satellite manufacturing and investments in satellite-based communications services. We were formed to succeed to the business conducted by our predecessor registrant, Loral Space & Communications Ltd., following consummation of its plan of reorganization under chapter 11 of the federal bankruptcy laws on November 21, 2005.

### **Loral is organized into two operating segments:**

#### ***Satellite Manufacturing:***

Our subsidiary, Space Systems/Loral, Inc. (SS/L), designs and manufactures satellites, space systems and space system components for commercial and government customers whose applications include fixed satellite services, direct-to-home broadcasting, mobile satellite services, broadband data distribution, wireless telephony, digital radio, digital mobile broadcasting, military communications, weather monitoring and air traffic management.

#### ***Satellite Services:***



Until October 31, 2007, the operations of our satellite services segment were conducted through Loral Skynet Corporation ( Loral Skynet ), which leased transponder capacity to commercial and government customers for video distribution and broadcasting, high-speed data distribution, Internet access and communications, and also provided managed network services to customers using a hybrid satellite and ground-based system. It also provided professional services to other satellite operators such as fleet operating services. At October 31, 2007, Loral Skynet had four in-orbit satellites and had one satellite under construction at SS/L.

On October 31, 2007, together with our Canadian partner, Public Sector Pension Investment Board, through Telesat Holdings Inc. ( Telesat Holdco ), a newly-formed joint venture, we completed the acquisition of Telesat Canada from BCE Inc. In connection with this acquisition, we transferred on that same date substantially all of the assets and related liabilities of Loral Skynet to Telesat Canada. We hold a 64% economic interest and a 33 1/3% voting interest in Telesat Holdco, the ultimate parent company of the resulting new entity. We use the equity method of accounting for our investment in Telesat Canada.

We adopted fresh start accounting as of October 1, 2005, in accordance with Statement of Position No. 90-7, *Financial Reporting of Entities in Reorganization Under the Bankruptcy Code* ( SOP 90-7 ). Accordingly, our financial information disclosed under the heading Successor Registrant in our Annual Report on Form 10-K filed with the SEC on April 29, 2008 for the periods ended and as of December 31, 2005, 2006 and 2007, respectively, is presented on a basis different from, and is therefore not comparable to, our financial information disclosed under the heading Predecessor Registrant for the period ended and as of October 1, 2005 (the date we adopted fresh-start accounting) or for prior periods.

Loral Space & Communications Inc. was incorporated in Delaware in June 2005 and on November 21, 2005 became the successor to Loral Space & Communications Ltd., which was incorporated in Bermuda in January 1996. Our principal executive offices are located at 600 Third Avenue, New York, New York 10016. Our telephone number is (212) 697-1105 and our website address is [www.loral.com](http://www.loral.com). Information contained in our website is not a part of this prospectus.

## **RISK FACTORS**

You should carefully consider the specific risks set forth under the caption Risk Factors in the applicable prospectus supplement and under the caption Risk Factors in any of our filings with the Commission pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 (the Exchange Act ) incorporated by reference herein, before making an investment decision. For more information see Where You Can Find More Information.

## **FORWARD-LOOKING STATEMENTS**

This prospectus and the documents incorporated by reference into this prospectus contain forward-looking statements that are based on current expectations, estimates and projections about our industry, management's beliefs and assumptions made by management. Words such as anticipates, expects, intends, plans, believes, seeks, variations of such words and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict; therefore, actual results may differ materially from those expressed or forecasted in any forward-looking statements. The risks and uncertainties include those noted in Risk Factors above and in the documents incorporated by reference. Except as required by law, we undertake no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

## **RATIO AND/OR DEFICIENCY OF EARNINGS TO COVER FIXED CHARGES**

Our ratio and/or deficiency of earnings to fixed charges for each of the fiscal years ended December 31, 2003 and 2004, for the period January 1, 2005 to October 1, 2005, for the period October 2, 2005 to December 31, 2005, for each of the fiscal years ended December 31, 2006 and 2007, and for the six months ended June 30, 2008 are set forth below. The information set forth below should be read in conjunction with the financial information incorporated by reference herein.



|   | Predecessor Registrant      |                             |  | Successor Registrant   |                             |                             |                                     |
|---|-----------------------------|-----------------------------|--|--|-----------------------------|-----------------------------|-------------------------------------|
|   | Year<br>Ended<br>12/31/2003 | Year<br>Ended<br>12/31/2004 | For the<br>Period<br>January 1,<br>2005 to<br>October 1,<br>2005 | For the<br>Period<br>October 2,<br>2005 to<br>December 31,<br>2005 | Year<br>Ended<br>12/31/2006 | Year<br>Ended<br>12/31/2007 | Six<br>Months<br>Ended<br>6/30/2008 |
| Ratio of Earnings<br>to Cover Fixed<br>Charges<br>Deficiency of<br>Earnings to Cover<br>Fixed Charges | \$ 389,218                  | \$ 208,809                  | \$ 65,570  | \$ 8,062   | \$ 13,377                   | \$ 28,875                   | \$ 3.39                             |

For the purpose of these computations, earnings have been calculated as the sum of (i) loss from continuing operations before income taxes, equity income (losses) in affiliates, minority interest, cumulative effect of change in accounting principle and extraordinary gain on acquisition of minority interest and (ii) fixed charges, and for the period January 1, 2005 to October 1, 2005 does not include the gain on pre-petition obligations and fresh-start adjustments and the interest expense and income tax benefit recognized in connection with our emergence from chapter 11. Fixed charges consist of the sum of (i) interest cost (whether expensed or capitalized), amortized premiums, discounted and capitalized expenses related to indebtedness, (ii) an estimate of the interest within rental expense and (iii) the amount of pre-tax earnings that is required to pay the dividends on outstanding preference securities of Loral.

### USE OF PROCEEDS

We intend to use the net proceeds that we receive from any sale of securities under this prospectus for general corporate purposes unless otherwise indicated in a prospectus supplement relating to a specific issuance of securities or any other document filed with the SEC. These general corporate purposes include, but are not limited to, repayment, redemption or refinancing of debt or outstanding preferred stock, working capital, capital expenditures and investments in or loans to subsidiaries and acquisitions of, or joint venture transactions with, other satellite or satellite-related businesses. Pending any such use, the net proceeds from the sale of the securities may be invested in short-term, investment grade, interest-bearing instruments.

We will not receive any proceeds from the sale of any common stock under this prospectus by any selling stockholders.

### SELLING STOCKHOLDERS

The table below sets forth the beneficial ownership of our common stock outstanding as of May 22, 2008 by funds affiliated with MHR Fund Management LLC as selling stockholders. The shares set forth below are being registered pursuant to the Amended and Restated Registration Rights Agreement, dated as of February 27, 2007, between MHR Capital Partners Master Account LP ( Master Account ), MHR Capital Partners (100) LP ( Capital Partners (100) ), MHR Institutional Partners II LP ( Institutional Partners II ), MHR Institutional Partners IIA, LP ( Institutional Partners IIA ), MHR Institutional Partners LP ( Institutional Partners ), MHRA LP ( MHRA ) and MHRM LP ( MHRM ), on the one hand, and Loral Space & Communications Inc. and Loral Skynet Corporation, on the other hand.

| Selling Shareholder(1)                 | Shares Owned Prior to Offering Under this Prospectus |               | Maximum Number of Shares Offered Under Prospectus(3) | Shares Owned After the Offering Under this Prospectus(3) |            |
|--|--|---------------|--|--|------------|
|  | Number   | Percentage(2) |  | Number   | Percentage |
| MHR Capital Partners Master Account LP | 1,040,663  | 5.1           | 1,040,663  | 0  | 0          |
| MHR Capital Partners (100) LP          | 139,005  | 0.7           | 139,005  | 0  | 0          |
| MHR Institutional Partners II LP       | 958,336  | 4.7           | 958,336  | 0  | 0          |
| MHR Institutional Partners IIA LP      | 2,414,383  | 11.9          | 2,414,383  | 0  | 0          |
| MHR Institutional Partners LP          | 2,120,249  | 10.4          | 2,120,249  | 0  | 0          |
| MHRA LP                                | 205,097  | 1.0           | 205,097  | 0  | 0          |
| MHRM LP                                | 305,004  | 1.5           | 305,004  | 0  | 0          |

3

- (1) MHR Advisors LLC, MHR Institutional Advisors II LLC and MHR Institutional Advisors LLC serve as the general partner of one or more of the above-named partnerships and, accordingly, may be deemed to be the beneficial owner of securities held by the partnerships. Similarly, Dr. Mark H. Rachesky may be deemed to be a beneficial owner of such securities because he is a managing member of each of such general partner entities. MHR Fund Management LLC is an affiliate of and has an investment management agreement with each of the above-named partnerships and, accordingly, may be deemed to be the beneficial owner of securities held by the partnerships.
- (2) Does not include common stock or Class B-1 non-voting common stock into which shares of Series A-1 cumulative 7.5% convertible preferred stock and Series B-1 cumulative 7.5% convertible preferred stock owned by funds affiliated with MHR Fund Management LLC are convertible. See Description of Preferred Stock.
- (3) We do not know when or in what amounts the selling stockholders may offer their shares for sale. Therefore, for the purposes of this table only, we assume that the selling stockholders sell the maximum number of shares of our common stock that may be offered by them under this prospectus.

Dr. Mark H. Rachesky, Hal Goldstein and Sai S. Devabhaktuni, affiliates of the selling shareholders named above, became members of our Board of Directors as Class 3 directors on November 23, 2005. Dr. Rachesky also serves as non-executive chairman of our Board of Directors.

## **PLAN OF DISTRIBUTION**

### **Company Plan of Distribution**

We may sell the securities to one or more underwriters for public offering and sale by them and may also sell the securities to investors directly or through agents. We will name any underwriter or agent involved in the offer and sale of securities in the applicable prospectus supplement. We have reserved the right to sell or exchange securities directly to investors on our or their own behalf in those jurisdictions where we are authorized to do so.

We may distribute the securities from time to time in one or more transactions:

at a fixed price or prices, which may be changed;

at market prices prevailing at the time of sale;

at prices related to such prevailing market prices; or

at negotiated prices.

We may also, from time to time, authorize dealers, acting as our agents, to offer and sell securities upon the terms and conditions set forth in the applicable prospectus supplement. In connection with the sale of securities, we, or the purchasers of securities for whom the underwriters may act as agents, may compensate underwriters in the form of underwriting discounts or commissions. Underwriters may sell the securities to or through dealers, and those dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions from the purchasers for whom they may act as agent. Unless otherwise indicated in a prospectus supplement, an agent will be acting on a best efforts basis and a dealer will purchase securities as a principal and may then resell the securities at varying prices to be determined by the dealer.

We will describe in the applicable prospectus supplement any compensation we pay to underwriters or agents in connection with the offering of securities, and any discounts, concessions or commissions allowed by underwriters to participating dealers. Dealers and agents participating in the distribution of securities may be deemed to be underwriters, and any discounts and commissions received by them and any profit realized by them on resale of the securities may be deemed to be underwriting discounts and commissions. We may enter into agreements to indemnify underwriters, dealers and agents against certain civil liabilities, including liabilities under the Securities Act, and to reimburse these persons for certain expenses.

To facilitate the offering of securities, certain persons participating in the offering may engage in transactions that stabilize, maintain, or otherwise affect the price of the securities. This may include over-allotments or short sales of the securities, which involve the sale by persons participating in the offering of more securities than we sold to them. In these circumstances, these persons would cover such over-allotments or short positions by making

purchases in the open market or by exercising their over-allotment option, if any. In addition, these persons may stabilize or maintain the price of the securities by bidding for or purchasing securities in the open market or by imposing penalty bids, whereby selling concessions allowed to dealers participating in the offering may be reclaimed if securities sold by them are repurchased in connection with stabilization transactions. The effect of these transactions may be to stabilize or maintain the market price of the securities at a level above that which might otherwise prevail in the open market. These transactions may be discontinued at any time.

Certain of the underwriters, dealers or agents and their associates may engage in transactions with and perform services for us in the ordinary course of their business for which they receive compensation.

### **Selling Stockholder Plan of Distribution**

The selling stockholders, or their pledgees, donees, transferees, or any of their successors in interest selling shares received from a named selling stockholder as a gift, partnership distribution or other non-sale-related transfer after the date of this prospectus (all of whom may be selling stockholders), may sell the securities from time to time on any stock exchange or automated interdealer quotation system on which the securities are listed, in the over-the-counter market, in privately negotiated transactions or otherwise, at fixed prices that may be changed, at market prices prevailing at the time of sale, at prices related to prevailing market prices or at prices otherwise negotiated. The selling stockholders may sell the securities by one or more of the following methods, without limitation:

- block trades in which the broker or dealer so engaged shall attempt to sell the securities as agent but may position and resell a portion of the block as principal to facilitate the transaction;

- purchases by a broker or dealer as principal and resale by the broker or dealer for its own account pursuant to this prospectus;

- an exchange distribution in accordance with the rules of any stock exchange on which the securities are listed;

- ordinary brokerage transactions and transactions in which the broker solicits purchases;

- privately negotiated transactions;

- short sales;

- through the writing of options on the securities, whether or not the options are listed on an options exchange;

- through the distribution of the securities by any selling stockholder to its partners, members or stockholders;

- one or more underwritten offerings on a firm commitment or best efforts basis; and

- any combination of any of these methods of sale.

The selling stockholders may also transfer the securities by gift. We do not know of any arrangements or current plans by the selling stockholders for the sale of any of the securities.

The selling stockholders may engage brokers and dealers, and any brokers or dealers may arrange for other brokers or dealers to participate in effecting sales of the securities. These brokers, dealers or underwriters may act as principals, or as an agent of a selling stockholder.



Broker-dealers may agree with a selling stockholder to sell a specified number of the securities at a stipulated price per security. If the broker-dealer is unable to sell securities acting as agent for a selling stockholder, it may purchase as principal any unsold securities at the stipulated price. Broker-dealers who acquire securities as principals may thereafter resell the securities from time to time in transactions on any stock exchange or automated interdealer quotation system on which the securities are then listed, at prices and on terms then prevailing at the time of sale, at prices related to the then-current market price or in negotiated transactions. Broker-dealers may use block transactions and sales to and through broker-dealers, including transactions of the nature described above. The selling stockholders may also sell the securities in accordance with Rule 144 under the Securities Act rather than pursuant to this prospectus, regardless of whether the securities are covered by this prospectus.

From time to time, one or more of the selling stockholders may pledge, hypothecate or grant a security interest in some or all of the securities owned by them. The pledgees, secured parties or persons to whom the securities have been hypothecated shall, upon foreclosure in the event of default, be deemed to be selling stockholders. As and when a selling stockholder takes such actions, the number of securities offered under this prospectus on behalf of such selling stockholders shall decrease. The plan of distribution for that selling stockholder's securities shall otherwise remain unchanged. In addition, a selling stockholder may, from time to time, sell the securities short, and, in those instances, this prospectus may be delivered in connection with the short sales and the securities offered under this prospectus may be used to cover short sales.

To the extent required under the Securities Act, the aggregate amount of selling stockholders' securities being offered and the terms of the offering, the names of any agents, brokers, dealers or underwriters and any applicable commission with respect to a particular offer shall be set forth in an accompanying prospectus supplement. Any underwriters, dealers, brokers or agents participating in the distribution of the securities may receive compensation in the form of underwriting discounts, concessions, commissions or fees from a selling stockholder and/or purchasers of selling stockholder's securities for whom they may act (which compensation as to a particular broker-dealer might be in excess of customary commissions).

The selling stockholders and any underwriters, brokers, dealers or agents that participate in the distribution of the securities may be deemed to be underwriters within the meaning of the Securities Act and any discounts, concessions, commissions or fees received by them and any profit on the resale of the securities sold by them may be deemed to be underwriting discounts and commissions.

A selling stockholder may enter into hedging transactions with broker-dealers and the broker-dealers may engage in short sales of the securities in the course of hedging the positions they assume with that selling stockholder, including, without limitation, in connection with distributions of the securities by those broker-dealers. A selling stockholder may enter into option or other transactions with broker-dealers that involve the delivery of the securities offered hereby to the broker-dealers, who may then resell or otherwise transfer those securities. A selling stockholder may also loan or pledge the securities offered hereby to a broker-dealer and the broker-dealer may sell the securities offered hereby so loaned or upon a default may sell or otherwise transfer the pledged securities offered hereby.

A selling stockholder may enter into derivative transactions with third parties, or sell securities not covered by this prospectus to third parties in privately negotiated transactions. If the applicable prospectus supplement indicates, in connection with those derivatives, the third parties may sell securities covered by this prospectus and the applicable prospectus supplement, including in short sale transactions. If so, the third party may use securities pledged by the selling stockholder or borrowed from the selling stockholder or others to settle those sales or to close out any related open borrowings of stock, and may use securities received from the selling stockholder in settlement of those derivatives to close out any related open borrowings of stock. The third party in such sale transactions shall be an underwriter and, if not identified in this prospectus, shall be identified in the applicable prospectus supplement (or a post-effective amendment).

The selling stockholders and other persons participating in the sale or distribution of the securities shall be subject to applicable provisions of the Exchange Act and the rules and regulations thereunder, including Regulation M. This regulation may limit the timing of purchases and sales of any of the securities by the selling stockholders and any other person. The anti-manipulation rules under the Exchange Act may apply to sales of securities in the market and to the activities of the selling stockholders and their affiliates. Furthermore, Regulation M may restrict the ability of any person engaged in the distribution of the securities to engage in market-making activities with respect to the particular securities being distributed for a period of up to five business days before the distribution. These restrictions may affect the marketability of the securities and the ability of any person or entity to engage in market-making activities with respect to the securities.

We have agreed to indemnify in certain circumstances the selling stockholders and any brokers, dealers and agents (who may be deemed to be underwriters), if any, of the securities covered by the registration statement, against certain liabilities, including liabilities under the Securities Act. The selling stockholders have agreed to indemnify us in certain circumstances against certain liabilities, including liabilities under the Securities Act.

The securities offered hereby were originally issued to the selling stockholders pursuant to an exemption from the registration requirements of the Securities Act. We agreed to register the securities under the Securities Act and to keep the registration statement of which this prospectus is a part effective for a specified period of time. We have agreed to pay all expenses in connection with this offering, including the fees and expenses of counsel to the selling stockholders, but not including underwriting discounts, concessions, commissions or fees of the selling stockholders.

We will not receive any proceeds from sales of any securities by the selling stockholders.

We cannot assure you that the selling stockholders will sell all or any portion of the securities offered hereby.

### **DESCRIPTION OF DEBT SECURITIES**

This prospectus describes certain general terms and provisions of our debt securities. When we offer to sell a particular series of debt securities, we will describe the specific terms of the series in a supplement to this prospectus. We will also indicate in the applicable prospectus supplement whether the general terms and provisions described in this prospectus apply to a particular series of debt securities.

We may offer under this prospectus up to \$500,000,000 aggregate principal amount of debt securities, or if debt securities are issued at a discount or in a foreign currency or composite currency, such principal amount as may be sold for a public offering price of up to \$500,000,000. Unless otherwise specified in a supplement to this prospectus, the debt securities will be our direct, unsecured obligations and will rank equally with all of our other unsecured and unsubordinated indebtedness.

The debt securities will be issued under an indenture between us and a trustee. We have summarized select portions of the indenture below. The summary is not complete. The form of the indenture has been filed as an exhibit to the registration statement and you should read the indenture for provisions that may be important to you. Capitalized terms used in the summary have the meaning specified in the indenture.

#### **General**

The terms of each series of debt securities will be established by or pursuant to a resolution of our Board of Directors and will be set forth or determined in the manner provided in an officers' certificate or by a supplemental indenture. The particular terms of each series of debt securities will be described in a prospectus supplement relating to such series including any pricing supplement.

We can issue an unlimited amount of debt securities under the indenture that may be in one or more series with the same or various maturities, at par, at a premium, or at a discount. We will set forth in a prospectus supplement, including any pricing supplement, relating to any series of debt securities being offered (i) the aggregate principal amount, (ii) the appropriate tax disclosure, including matters relating to debt securities offered at a price, whether individually or in a package with another security, such that they will be deemed to be offered at an original issue discount as defined in the U.S. Internal Revenue Code and (iii) the following terms of the debt securities:

the title of the debt securities;

the price or prices (expressed as a percentage of the principal amount) at which we will sell the debt securities;

any limit on the aggregate principal amount of the debt securities;

the date or dates on which we will pay the principal on the debt securities;

the rate or rates (which may be fixed or variable) per annum or the method used to determine the rate or rates (including any commodity, commodity index, stock exchange index or financial index) at which the debt securities will bear interest, the date or dates from which interest will accrue, the date or dates on which interest will commence and be payable, and any regular record date for the interest payable on any interest payment date;

whether the debt securities rank as senior subordinated debt securities or subordinated debt securities, or any combination thereof;

the form and terms of any guarantee of any debt securities;

whether the ratio at which and the terms and conditions upon which, if any, the debt securities will be convertible into or exchangeable for our common stock or our other securities or securities of another person;

the place or places where principal of, premium, if any, and interest, if any, on the debt securities will be payable or the method of such payment, if by wire transfer, mail or other means;

the terms and conditions upon which we may redeem the debt securities;

any obligation we have to redeem or purchase the debt securities pursuant to any sinking fund or analogous provisions or at the option of a holder of debt securities;

the dates on which and the price or prices at which we will repurchase debt securities at the option of the holders of debt securities and other detailed terms and provisions of these repurchase obligations;

the denominations in which the debt securities will be issued, if other than denominations of \$1,000 and any integral multiple thereof;

whether the debt securities will be issued in bearer or fully registered form (and if in fully registered form, whether the debt securities will be issuable, in whole or in part, as global debt securities);

the portion of principal amount of the debt securities payable upon declaration of acceleration of the maturity date, if other than the principal amount;

the currency of denomination of the debt securities;

the designation of the currency, currencies or currency units in which payment of principal of, premium and interest on the debt securities will be made;

if payments of principal of, premium or interest on the debt securities will be made in one or more currencies or currency units other than that or those in which the debt securities are denominated, the manner in which the exchange rate with respect to these payments will be determined;

the manner in which the amounts of payment of principal of, premium or interest on the debt securities will be determined, if these amounts may be determined by reference to an index based on a currency or currencies other than that in which the debt securities are denominated or designated to be payable or by reference to a commodity, commodity index, stock exchange index or financial index;

any provisions relating generally to maturity, interest, conversion, redemption, amortization or retirement;

any provisions relating to any security provided for the debt securities;

any addition to or change in the events of default described in this prospectus or in the indenture with respect to the debt securities and any change in the acceleration provisions described in this prospectus or in the indenture

with respect to the debt securities;

any addition to, change in, or deletion from the covenants described in this prospectus or in the indenture with respect to the debt securities;

any other terms of the debt securities which may modify, supplement or delete any provision of the indenture as it applies to that series; and

any depositaries, interest rate calculation agents, exchange rate calculation agents or other agents with respect to the debt securities.

In addition, the indenture does not limit our ability to issue subordinated debt securities. Any subordination provisions of a particular series of debt securities will be set forth in the officer's certificate or supplemental indenture related to that series of debt securities and will be described in the relevant prospectus supplement.

We may issue debt securities that provide for an amount less than their stated principal amount to be due and payable upon declaration of acceleration of their maturity pursuant to the terms of the indenture. We will provide you with information on the federal income tax considerations and other special considerations applicable to any of these debt securities in the applicable prospectus supplement.

If we denominate the purchase price of any of the debt securities in a foreign currency or currencies or a foreign currency unit or units, or if the principal of and any premium and interest on any series of debt securities is payable in a foreign currency or currencies or a foreign currency unit or units, we will provide you with information on the restrictions, elections, general tax considerations, specific terms and other information with respect to that issue of debt securities and such foreign currency or currencies or foreign currency unit or units in the applicable prospectus supplement.

### **Transfer and Exchange**

Each debt security will be represented by either one or more global securities registered in the name of The Depository Trust Company, as depository, or a nominee (we will refer to any debt security represented by a global debt security as a book-entry debt security ), or a certificate issued in definitive registered form (we will refer to any debt security represented by a certificated security as a certificated debt security ) as set forth in the applicable prospectus supplement. Except as set forth under the heading Global Debt Securities and Book-Entry System below, book-entry debt securities will not be issuable in certificated form.

### **Certificated Debt Securities**

You may transfer or exchange certificated debt securities at any office we maintain for this purpose in accordance with the terms of the indenture. No service charge will be made for any transfer or exchange of certificated debt securities, but we may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with a transfer or exchange.

You may effect the transfer of certificated debt securities only by surrendering the certificate representing those certificated debt securities and either reissuance by us or the trustee of the certificate to the new holder or the issuance by us or the trustee of a new certificate to the new holder.

### **Global Debt Securities and Book-Entry System**

Each global debt security representing book-entry debt securities will be deposited with, or on behalf of, the depository, and registered in the name of the depository or a nominee of the depository.

We anticipate that the depository will adhere to the following procedures with respect to book-entry debt securities:

Ownership of beneficial interests in book-entry debt securities will be limited to persons that have accounts with the depository for the related global debt security, which we refer to as participants, or persons that may hold interests through participants. Upon the issuance of a global debt security, the depository will credit, on its book-entry registration and transfer system, the participants' accounts with the respective principal amounts of the book-entry debt securities represented by such global debt security beneficially owned by such participants. The accounts to be credited will be designated by any dealers, underwriters or agents participating in the distribution of the book-entry debt securities. Ownership of book-entry debt securities will be shown on, and the transfer of such ownership interests will be effected only through, records maintained by the depository for the related global debt security (with respect to interests of participants) and on the records of participants (with respect to interests of persons holding through participants). The laws of some states may require that certain purchasers of securities take physical delivery of such



securities in definitive form. These laws may impair the ability to own, transfer or pledge beneficial interests in book-entry debt securities.

So long as the depositary for a global debt security, or its nominee, is the registered owner of that global debt security, the depositary or its nominee, as the case may be, will be considered the sole owner or holder of the book-entry debt securities represented by such global debt security for all purposes under the indenture. Except as described below, beneficial owners of book-entry debt securities will not be entitled to have securities registered in

their names, will not receive or be entitled to receive physical delivery of a certificate in definitive form representing securities and will not be considered the owners or holders of those securities under the indenture. Accordingly, each person beneficially owning book-entry debt securities must rely on the procedures of the depository for the related global debt security and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, to exercise any rights of a holder under the indenture.

We understand, however, that under existing industry practice, the depository will authorize the persons on whose behalf it holds a global debt security to exercise certain rights of holders of debt securities, and the indenture provides that we, the trustee and our respective agents will treat as the holder of a debt security the persons specified in a written statement of the depository with respect to that global debt security for purposes of obtaining any consents or directions required to be given by holders of the debt securities pursuant to the indenture.

We will make payments of principal of, and premium and interest on book-entry debt securities to the depository or its nominee, as the case may be, as the registered holder of the related global debt security. We, the trustee and any other agent of ours or agent of the trustee will not have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a global debt security or for maintaining, supervising or reviewing any records relating to beneficial ownership interests.

We expect that the depository, upon receipt of any payment of principal of, premium or interest on a global debt security, will immediately credit participants' accounts with payments in amounts proportionate to the respective amounts of book-entry debt securities held by each participant as shown on the records of such depository. We also expect that payments by participants to owners of beneficial interests in book-entry debt securities held through those participants will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers in bearer form or registered in street name, and will be the responsibility of those participants.

We will issue certificated debt securities in exchange for each global debt security if the depository is at any time unwilling or unable to continue as depository or ceases to be a clearing agency registered under the Exchange Act, and a successor depository registered as a clearing agency under the Exchange Act is not appointed by us within 90 days. In addition, we may at any time and in our sole discretion determine not to have the book-entry debt securities of any series represented by one or more global debt securities and, in that event, will issue certificated debt securities in exchange for the global debt securities of that series. Global debt securities will also be exchangeable by the holders for certificated debt securities if an event of default with respect to the book-entry debt securities represented by those global debt securities has occurred and is continuing. Any certificated debt securities issued in exchange for a global debt security will be registered in such name or names as the depository shall instruct the trustee. We expect that such instructions will be based upon directions received by the depository from participants with respect to ownership of book-entry debt securities relating to such global debt security.

We have obtained the foregoing information concerning the depository and the depository's book-entry system from sources we believe to be reliable, but we take no responsibility for the accuracy of this information.

### **Change of Control**

Unless we state otherwise in the applicable prospectus supplement, the debt securities will not contain any provisions which may afford holders of the debt securities protection in the event we have a change in control or in the event of a highly leveraged transaction (whether or not such transaction results in a change in control) that could adversely affect holders of debt securities.

### **Covenants**

We will set forth in the applicable prospectus supplement any restrictive covenants applicable to any issue of debt securities.

### **Consolidation, Merger and Sale of Assets**

Unless stated otherwise in the applicable prospectus supplement, we may not consolidate with or merge with or into, or convey, transfer or lease all or substantially all of our properties and assets to, any person, which we refer to as a successor person, unless:

we are the surviving corporation or the successor person is a corporation organized and validly existing under the laws of any U.S. domestic jurisdiction and expressly assumes our obligations on the debt securities and under the indenture;

immediately after giving effect to the transaction, no event of default, and no event which, after notice or lapse of time, or both, would become an event of default, shall have occurred and be continuing under the indenture; and

certain other conditions that may be set forth in the applicable prospectus supplement are met.

### **Events of Default**

Unless otherwise stated in the applicable prospectus supplement, event of default means, with respect to any series of debt securities, any of the following:

default in the payment of any interest upon any debt security of that series when it becomes due and payable, and continuance of that default for a period of 30 days (unless the entire amount of the payment is deposited by us with the trustee or with a paying agent prior to the expiration of the 30-day period);

default in the payment of principal of or premium on any debt security of that series when due and payable at maturity, upon redemption or otherwise;

default in the deposit of any sinking fund payment, when and as due in respect of any debt security of that series;

default in the performance or breach of any other covenant or warranty by us in the indenture (other than a covenant or warranty that has been included in the indenture solely for the benefit of a series of debt securities other than that series), which default continues uncured for a period of 60 days after we receive written notice from the trustee or we and the trustee receive written notice from the holders of not less than a majority in principal amount of the outstanding debt securities of that series as provided in the indenture;

certain events of bankruptcy, insolvency or reorganization; and

any other event of default provided with respect to debt securities of that series as described in the applicable prospectus supplement accompanying this prospectus.

No event of default with respect to a particular series of debt securities (except as to certain events of bankruptcy, insolvency or reorganization) necessarily constitutes an event of default with respect to any other series of debt securities. The occurrence of an event of default may constitute an event of default under our bank credit agreements in existence from time to time. In addition, the occurrence of certain events of default or an acceleration under the indenture may constitute an event of default under certain of our other indebtedness outstanding from time to time.

If an event of default with respect to debt securities of any series at the time outstanding occurs and is continuing, then the trustee or the holders of not less than a majority in principal amount of the outstanding debt securities of that series may, by a notice in writing to us (and to the trustee if given by the holders), declare to be due and payable immediately the principal (or, if the debt securities of that series are discount securities, that portion of the principal amount as may be specified in the terms of that series) of and accrued and unpaid interest, if any, on all debt securities of that series. In the case of an event of default resulting from certain events of bankruptcy, insolvency or reorganization, the principal (or such specified amount) of and accrued and unpaid interest, if any, on all outstanding debt securities will become and be immediately due and payable without any declaration or other act on the part of the trustee or any holder of outstanding debt securities. At any time after a declaration of acceleration with respect to debt securities of any series has been made, but before a judgment or decree for payment of the

money due has been obtained by the trustee, the holders of a majority in principal amount of the outstanding debt securities of that series may rescind and annul the acceleration if all events of default, other than the non-payment of accelerated principal and interest, if any, with respect to debt securities of that series, have been cured or waived as provided in the indenture. We refer you to the prospectus supplement relating to any series of debt securities that are discount securities for the particular provisions relating to acceleration of a portion of the principal amount of such discount securities upon the occurrence of an event of default.

The indenture provides that the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request of any holder of outstanding debt securities, unless the trustee receives indemnity satisfactory to it against any loss, liability or expense. Subject to certain rights of the trustee, the holders of a majority in principal amount of the outstanding debt securities of any series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee or of exercising any trust or power conferred on the trustee with respect to the debt securities of that series.

Unless stated otherwise in the applicable prospectus supplement, no holder of any debt security of any series will have any right to institute any proceeding, judicial or otherwise, with respect to the indenture or for the appointment of a receiver or trustee, or for any remedy under the indenture, unless:

that holder has previously given to the trustee written notice of a continuing event of default with respect to debt securities of that series; and

the holders of at least a majority in principal amount of the outstanding debt securities of that series have made written request, and offered reasonable indemnity, to the trustee to institute the proceeding as trustee, and the trustee has not received from the holders of a majority in principal amount of the outstanding debt securities of that series a direction inconsistent with that request and has failed to institute the proceeding within 60 days.

Notwithstanding the foregoing, the holder of any debt security will have an absolute and unconditional right to receive payment of the principal of, premium and any interest on that debt security on or after the due dates expressed in that debt security and to institute suit for the enforcement of payment.

The indenture requires us, within 120 days after the end of our fiscal year, to furnish to the trustee a statement as to compliance with the indenture. The indenture provides that the trustee may withhold notice to the holders of debt securities of any series of any default or event of default (except in payment on any debt securities of that series) with respect to debt securities of that series if it in good faith determines that withholding notice is in the interest of the holders of those debt securities.

### **Modification and Waiver**

We may modify and amend the indenture with the consent of the holders of at least a majority in principal amount of the outstanding debt securities of each series affected by the modifications or amendments. We may not make any modification or amendment without the consent of the holders of each affected debt security then outstanding if that amendment would:

reduce the amount of debt securities whose holders must consent to an amendment or waiver;

reduce the rate of or extend the time for payment of interest (including default interest) on any debt security;

reduce the principal of or premium on or change the fixed maturity of any debt security or reduce the amount of, or postpone the date fixed for, the payment of any sinking fund or analogous obligation with respect to any

series of debt securities;

reduce the principal amount of discount securities payable upon acceleration of maturity;

waive a default in the payment of the principal of, premium or interest on any debt security (except a rescission of acceleration of the debt securities of any series by the holders of at least a majority in aggregate principal amount of the then outstanding debt securities of that series and a waiver of the payment default that resulted from such acceleration);

make the principal of or premium or interest on any debt security payable in currency other than that stated in the debt security;

make any change to certain provisions of the indenture relating to, among other things, the right of holders of debt securities to receive payment of the principal of, premium and interest on those debt securities and to institute suit for the enforcement of any such payment and to waivers or amendments; or

waive a redemption payment with respect to any debt security.

Except for certain specified provisions, the holders of at least a majority in principal amount of the outstanding debt securities of any series may on behalf of the holders of all debt securities of that series waive our compliance with provisions of the indenture. The holders of a majority in principal amount of the outstanding debt securities of any series may on behalf of the holders of all the debt securities of such series waive any past default under the indenture with respect to that series and its consequences, except a default in the payment of the principal of, premium or any interest on any debt security of that series or in respect of a covenant or provision which cannot be modified or amended without the consent of the holder of each outstanding debt security of the series affected; provided, however, that the holders of a majority in principal amount of the outstanding debt securities of any series may rescind an acceleration and its consequences, including any related payment default that resulted from the acceleration.

#### **Defeasance of Debt Securities and Certain Covenants in Certain Circumstances**

##### **Legal Defeasance**

The indenture provides that, unless otherwise provided by the terms of the applicable series of debt securities, we may be discharged from any and all obligations in respect of the debt securities of any series (except for certain obligations to register the transfer or exchange of debt securities of such series, to replace stolen, lost or mutilated debt securities of such series, and to maintain paying agencies and certain provisions relating to the treatment of funds held by paying agents). We will be so discharged upon the deposit with the trustee, in trust, of money and/or U.S. government obligations or, in the case of debt securities denominated in a single currency other than U.S. dollars, foreign government obligations, that, through the payment of interest and principal in accordance with their terms, will provide money in an amount sufficient in the opinion of a nationally recognized firm of independent public accountants to pay and discharge each installment of principal, premium and interest on and any mandatory sinking fund payments in respect of the debt securities of that series on the stated maturity of those payments in accordance with the terms of the indenture and those debt securities.

This discharge may occur only if, among other things, we have delivered to the trustee an opinion of counsel stating that we have received from, or there has been published by, the United States Internal Revenue Service a ruling or, since the date of execution of the indenture, there has been a change in the applicable U.S. federal income tax law, in either case to the effect that, and based thereon such opinion shall confirm that, the holders of the debt securities of that series will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the deposit, defeasance and discharge and will be subject to U.S. federal income tax on the same amounts and in the same manner and at the same times as would have been the case if the deposit, defeasance and discharge had not occurred.

##### **Defeasance of Certain Covenants**

The indenture provides that, unless otherwise provided by the terms of the applicable series of debt securities, upon compliance with certain conditions:



we may omit to comply with the covenant described under the heading Consolidation, Merger and Sale of Assets above and certain other covenants set forth in the indenture, as well as any additional covenants which may be set forth in the applicable prospectus supplement; and

any failure to comply with those covenants will not constitute a default or an event of default with respect to the debt securities of that series, or a covenant defeasance.

The conditions include:

depositing with the trustee money and/or U.S. government obligations or, in the case of debt securities denominated in a single currency other than U.S. dollars, foreign government obligations, which, through the payment of interest and principal in accordance with their terms, will provide money in an amount sufficient in the opinion of a nationally recognized firm of independent public accountants to pay and discharge each installment of principal of, premium and interest on and any mandatory sinking fund payments in respect of the debt securities of that series on the stated maturity of those payments in accordance with the terms of the indenture and those debt securities; and

delivering to the trustee an opinion of counsel to the effect that the holders of the debt securities of that series will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the deposit and related covenant defeasance and will be subject to U.S. federal income tax on the same amounts and in the same manner and at the same times as would have been the case if the deposit and related covenant defeasance had not occurred.

### **Covenant Defeasance and Events of Default**

In the event we exercise our option to effect covenant defeasance with respect to any series of debt securities and the debt securities of that series are declared due and payable because of the occurrence of any event of default, the amount of money and/or U.S. government obligations or foreign government obligations on deposit with the trustee will be sufficient to pay amounts due on the debt securities of that series at the time of their stated maturity but may not be sufficient to pay amounts due on the debt securities of that series at the time of the acceleration resulting from the event of default. However, we shall remain liable for those payments.

## **DESCRIPTION OF COMMON STOCK**

The following description of our common stock is only a summary. We encourage you to read our restated certificate of incorporation, which is incorporated into the registration statement of which this prospectus forms a part. As of the date of this prospectus, we are authorized to issue up to 40,000,000 shares of our common stock, par value \$0.01 per share. As of July 31, 2008, we had outstanding 20,292,363 shares of our common stock. As of July 31, 2008, we had outstanding options to purchase 2,034,202 shares of our common stock, 144,630 shares of Series A-1 cumulative 7.5% convertible preferred stock, convertible, at the option of the holder, into 1,446,300 shares of our common stock, and 957,898 shares of Series B-1 cumulative 7.5% convertible preferred stock, convertible at the option of the holder, prior to the Majority Ownership Date (as defined in Description of Preferred Stock ) and following stockholder approval of the creation of a new class of Class B-1 non-voting common stock, into 9,578,980 shares of this Class B-1 non-voting common stock. See Description of Preferred Stock.

### **Liquidation Rights**

Upon voluntary or involuntary liquidation, dissolution or winding up, the holders of our common stock share ratably in the assets remaining after payments to creditors and provision for the preference of any preferred stock.

### **Dividends**

Except as otherwise provided by the Delaware General Corporation Law ( DGCL ) or our restated certificate of incorporation, the holders of our common stock, subject to preferences and other rights of holders of any series of preferred stock, are entitled to receive dividends when and as declared by our board of directors out of legally

available funds. Holders of common stock are entitled to share ratably in such dividends.

**Voting Rights**

Except as otherwise provided by the DGCL or our restated certificate of incorporation, each holder of common stock is entitled to one vote in respect of each share of common stock held of record on all matters submitted to a

vote of stockholders. Our restated certificate of incorporation does not permit our stockholders to act by written consent in lieu of a meeting.

### Miscellaneous

Our common stock is not convertible into, or exchangeable for, any other class or series of our capital stock. Holders of our common stock have no preemptive or other rights to subscribe for or purchase additional securities of ours. Shares of our common stock are not subject to calls or assessments. All of the outstanding shares of our common stock are fully paid and nonassessable. Holders of our common stock do not have cumulative voting rights. The transfer agent and registrar for our common stock is Registrar and Transfer Company. Our common stock is listed and traded on the Nasdaq National Market under the symbol LORL.

### DESCRIPTION OF PREFERRED STOCK

The following briefly summarizes the material terms of our preferred stock, other than pricing and related terms that will be disclosed in an accompanying prospectus supplement. We encourage you to read our certificates of designation, which are incorporated into the registration statement of which this prospectus forms a part. As of the date of this prospectus, we are authorized to issue up to 10,000,000 shares of preferred stock, par value \$0.01 per share. As of July 31, 2008, we had 144,630 shares of Series A-1 cumulative 7.5% convertible preferred stock (the Series A-1 Preferred Stock), each convertible, at the option of the holder, into ten shares of our common stock at a conversion price of \$30.1504 per share. As of July 31, 2008, we had 957,898 shares of Series B-1 cumulative 7.5% convertible preferred stock (the Series B-1 Preferred Stock and together with the Series A-1 Preferred Stock, Loral Series-1 Preferred Stock), each convertible at the option of the holder, prior to the Majority Ownership Date (as defined below) and following stockholder approval of the creation of a new class of Class B-1 non-voting common stock, into ten shares of this Class B-1 non-voting common stock at a conversion price \$30.1504 per share. From and after the Majority Ownership Date, the Series B-1 Preferred Stock and the Class B-1 non-voting common stock may be converted by the holder into our common stock, in the case of the Series B-1 Preferred Stock, at the same conversion price, and in the case of the Class B-1 non-voting common stock, on a share for share basis.

The terms of the Loral Series-1 Preferred Stock are designed so that, prior to the Majority Ownership Date, any shares of common stock issuable to MHR Fund Management LLC ( MHR ) or its affiliates upon conversion of the Loral Series-1 Preferred Stock, when taken together with holdings by MHR or its affiliates of common stock at such time, will not represent more than 39.999% of the aggregate voting power of our securities. From and after the Majority Ownership Date, this restriction will no longer apply, and all shares of Loral Series-1 Preferred Stock will be convertible into common stock. The Majority Ownership Date means the earlier of the date that (i) the beneficial ownership of common stock by MHR and its affiliates, but not including any of the common stock issuable upon the conversion of the Loral Series-1 Preferred Stock, represents more than 50% of our common stock, or (ii) a third party has acquired a majority of our common stock on a fully diluted basis other than pursuant to certain prohibited transfers of the Series A-1 Preferred Stock from MHR or its affiliates.

Under our restated certificate of incorporation, our board of directors is authorized to issue additional shares of preferred stock in one or more series, and to establish from time to time a series of preferred stock with the following terms specified:

the number of shares to be included in the series;

the designation, powers, preferences and rights of the shares of the series; and

the qualifications, limitations or restrictions of such series.

You should read the particular terms of any series of preferred stock offered by us, which will be described in more detail in any prospectus supplement relating to such series, together with the more detailed provisions of our restated certificate of incorporation and the certificate of designation relating to each particular series of preferred stock, for provisions that may be important to you. The certificate of designation relating to the particular series of preferred stock offered by an accompanying prospectus supplement and this prospectus will be filed as an exhibit to

a document incorporated by reference in the registration statement. The prospectus supplement will also state whether any of the terms summarized herein do not apply to the series of preferred stock being offered.

Prior to the issuance of any series of preferred stock, our board of directors will adopt resolutions creating and designating the series as a series of preferred stock and the resolutions will be filed in a certificate of designation as an amendment to the restated certificate of incorporation. The term "board of directors" includes any of its duly authorized committees.

The rights of holders of preferred stock offered may be adversely affected by the rights of holders of any shares of preferred stock that may be issued in the future. Our board of directors may cause shares of preferred stock to be issued in public or private transactions for any proper corporate purpose. Examples of proper corporate purposes include issuances to obtain additional financing in connection with acquisitions or otherwise, and issuances to our or our subsidiaries' officers, directors and employees pursuant to benefit plans or otherwise. Shares of preferred stock we issue may have the effect of discouraging or rendering more difficult an acquisition of us deemed undesirable by our board of directors.

The preferred stock will be, when issued, fully paid and nonassessable. Holders of preferred stock will not have any preemptive or subscription rights to acquire more of our stock.

The transfer agent, registrar, dividend disbursing agent and redemption agent for shares of each series of preferred stock will be named in the prospectus supplement relating to such series.

### **Rank**

Unless otherwise specified in the prospectus supplement relating to the shares of a series of preferred stock, such shares will rank on an equal basis with each other series of preferred stock and prior to the common stock as to dividends and distributions of assets.

### **Dividends**

Unless stated otherwise in the prospectus supplement relating to the issuance of a series of preferred stock, holders of each series of preferred stock will be entitled to receive cash dividends when, as and if declared by our board of directors out of funds legally available for dividends. The rates and dates of payment of dividends will be set forth in the prospectus supplement relating to each series of preferred stock. Dividends will be payable to holders of record of preferred stock as they appear on our books or, if applicable, the records of the depositary referred to below on the record dates fixed by the board of directors. Dividends on a series of preferred stock may be cumulative or noncumulative.

We may not declare, pay or set apart for payment any dividends on the preferred stock unless full dividends on other series of preferred stock that rank on an equal or senior basis have been paid or sufficient funds have been set apart for payment for:

- all prior dividend periods of other series of preferred stock that pay dividends on a cumulative basis; or
- the immediately preceding dividend period of other series of preferred stock that pay dividends on a noncumulative basis.

Partial dividends declared on shares of preferred stock and each other series of preferred stock ranking on an equal basis as to dividends will be declared pro rata. A pro rata declaration means that the ratio of dividends declared per

share to accrued dividends per share will be the same for each series of preferred stock.

Similarly, we may not declare, pay or set apart for payment non-stock dividends, or make other payments on the common stock or any other of our stock ranking junior to the preferred stock, until full dividends on the preferred stock have been paid or set apart for payment for:

all prior dividend periods if the preferred stock pays dividends on a cumulative basis; or

the immediately preceding dividend period if the preferred stock pays dividends on a noncumulative basis.

### **Conversion and Exchange**

The prospectus supplement for a series of preferred stock will state the terms, if any, on which shares of that series are convertible into or exchangeable for shares of our common stock, our preferred stock, our other securities or the debt or equity securities of one or more other entities.

### **Redemption and Sinking Fund**

If so specified in the applicable prospectus supplement, a series of preferred stock may be redeemable at any time, in whole or in part, at our option or the option of the holder thereof and may be mandatorily redeemed. Any partial redemptions of preferred stock will be made in a way that the board of directors decides is equitable.

Unless we default in the payment of the redemption price, dividends will cease to accrue after the redemption date on shares of preferred stock called for redemption and all rights of holders of such shares will terminate except for the right to receive the redemption price.

No series of preferred stock will receive the benefit of a sinking fund except as set forth in the applicable prospectus supplement.

### **Liquidation Preference**

Unless otherwise stated in the applicable prospectus supplement, upon any voluntary or involuntary liquidation, dissolution or winding up, holders of each series of preferred stock will be entitled to receive distributions upon liquidation in the amount set forth in the prospectus supplement relating to such series of preferred stock, plus an amount equal to any accrued and unpaid dividends. Such distributions will be made before any distribution is made on any securities ranking junior relating to liquidation, including common stock.

If the liquidation amounts payable relating to the preferred stock of any series and any other securities ranking on a parity regarding liquidation rights are not paid in full, the holders of the preferred stock of such series and such other securities will share in any such distribution of our available assets on a ratable basis in proportion to the full liquidation preferences. Holders of such series of preferred stock will not be entitled to any other amounts from us after they have received their full liquidation preference.

### **Voting Rights**

Unless otherwise stated in the applicable prospectus supplement, the holders of shares of preferred stock will have the same voting rights as the holders of shares of common stock. Each holder of a share of preferred stock will be entitled to one vote for each share of common stock such holder would receive upon conversion of such share of preferred stock into common stock.

## **DESCRIPTION OF WARRANTS**

We may issue warrants for the purchase of debt securities, common stock or preferred stock. We may issue warrants independently or together with any other securities offered by any prospectus supplement and may be attached to or separate from the other offered securities. Each series of warrants will be issued under a separate warrant agreement to be entered into by us with a warrant agent. The warrant agent will act solely as our agent in connection with the series of warrants and will not assume any obligation or relationship of agency or trust for or with any holders or beneficial owners of the warrants. Further terms of the warrants and the applicable warrant agreements will be set forth in the



applicable prospectus supplement. As of the date of this prospectus we have no warrants outstanding.

The applicable prospectus supplement will describe the terms of the warrants in respect of which this prospectus is being delivered, including, where applicable, the following:

the title of the warrants;

the aggregate number of the warrants;

the price or prices at which the warrants will be issued;

the designation, terms and number of shares of debt securities, common stock or preferred stock purchasable upon exercise of the warrants;

the designation and terms of the offered securities, if any, with which the warrants are issued and the number of the warrants issued with each offered security;

the date, if any, on and after which the warrants and the related debt securities, common stock or preferred stock will be separately transferable;

the price at which each share of debt securities, common stock or preferred stock purchasable upon exercise of the warrants may be purchased;

the date on which the right to exercise the warrants shall commence and the date on which that right shall expire;

the minimum or maximum amount of the warrants which may be exercised at any one time;

information with respect to book-entry procedures, if any;

a discussion of certain U.S. federal income tax considerations; and

any other terms of the warrants, including terms, procedures and limitations relating to the exchange and exercise of the warrants.

### **DESCRIPTION OF SUBSCRIPTION RIGHTS**

We may issue subscription rights to purchase common stock. Subscription rights may be issued independently or together with any other offered security and may or may not be transferable by the person purchasing or receiving the subscription rights. In connection with any subscription rights offering to our stockholders, we may enter into a standby underwriting or other arrangement with one or more underwriters or other persons pursuant to which such underwriters or other persons would purchase any offered securities remaining unsubscribed for after such subscription rights offering. In connection with a subscription rights offering to our stockholders, we would distribute certificates evidencing the subscription rights and a prospectus supplement to our stockholders on the record date that we set for receiving subscription rights in such subscription rights offering.

The applicable prospectus supplement would describe the following terms of subscription rights in respect of which this prospectus is being delivered:

the title of such subscription rights;

the exercise price or a formula for the determination of the exercise price for such subscription rights;

the number or a formula for the determination of the number of such subscription rights issued to each stockholder;

the extent to which such subscription rights are transferable;

if applicable, a discussion of the material U.S. federal income tax considerations applicable to the issuance or exercise of such subscription rights;

the date on which the right to exercise such subscription rights would commence, and the date on which such rights shall expire (subject to any extension);

the extent to which such subscription rights include an over-subscription privilege with respect to unsubscribed securities;

if applicable, the material terms of any standby underwriting or other purchase arrangement that we may enter into in connection with the subscription rights offering; and

any other terms of such subscription rights, including terms, procedures and limitations relating to the exchange and exercise of such subscription rights.

### **Exercise of Subscription Rights**

Each subscription right would entitle the holder of the subscription right to purchase for cash such amount of shares of common stock or other securities at such exercise price as shall in each case be set forth in, or be determinable as set forth in, the prospectus supplement relating to the subscription rights offered thereby or another report filed with the SEC. Subscription rights may be exercised at any time up to the close of business on the expiration date for such subscription rights set forth in the applicable prospectus supplement. After the close of business on the expiration date, all unexercised subscription rights would become void.

Subscription rights may be exercised as set forth in the prospectus supplement relating to the subscription rights offered thereby. Upon receipt of payment and the subscription rights certificate properly completed and duly executed at the corporate trust office of the subscription rights agent or any other office indicated in the prospectus supplement, we will forward, as soon as practicable, the shares of common stock or other securities purchasable upon such exercise. We may determine to offer any unsubscribed offered securities directly to stockholders, persons other than stockholders, to or through agents, underwriters or dealers or through a combination of such methods, including pursuant to standby underwriting or other arrangements, as set forth in the applicable prospectus supplement.

### **CERTAIN PROVISIONS OF DELAWARE LAW AND OF THE COMPANY'S CHARTER AND BYLAWS**

The following paragraphs summarize certain provisions of the DGCL, and our restated certificate of incorporation and amended and restated bylaws. The summary does not purport to be complete and is subject to and qualified in its entirety by reference to the DGCL and to our restated certificate of incorporation and amended and restated bylaws, copies of which are on file with the Commission as exhibits to registration statements previously filed by us. See [Where You Can Find More Information](#).

#### **General**

Certain provisions of our restated certificate of incorporation and by-laws and Delaware law could make our acquisition by a third party, a change in our incumbent management, or a similar change of control more difficult, including:

an acquisition of us by means of a tender or exchange offer;

an acquisition of us by means of a proxy contest or otherwise; or

the removal of a majority or all of our incumbent officers and directors.

These provisions, which are summarized below, are likely to discourage certain types of coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our board of directors. We believe that these provisions help to protect our potential ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure us, and that this benefit outweighs the potential disadvantages of discouraging such a proposal because our ability to negotiate with the proponent could result in an improvement of the terms of the proposal.

**Election and removal of directors**

A director, other than a preferred stock director, may be removed from office only for cause and only by the vote of at least two-thirds in voting power of the outstanding stock entitled to vote in an election of directors. In addition, our restated certificate of incorporation provides that, subject to the rights of the holders of shares of any series of preferred stock then outstanding, newly created directorships resulting from an increase in the authorized number of directors or vacancies on the board may be filled only by a majority of the directors then in office (even

though less than a quorum is then in office) or by the sole remaining director and any director elected to fill a vacancy may hold office for a term that coincides with the term of the class to which such director was elected.

### **Stockholder meetings**

Under our restated certificate of incorporation and by-laws, the chairman of the board of directors, the chief executive officer and president, three or more members of the board of directors or the chief executive officer and president, at the request of a majority of the voting power of the then outstanding shares of capital stock then entitled to vote, may call at any time special meetings of stockholders.

### **Delaware anti-takeover law**

We are subject to Section 203 of the DGCL, an anti-takeover law. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a business combination with an interested stockholder for a period of three years following the date the person became an interested stockholder, unless the business combination or the transaction in which the person became an interested stockholder is approved in a prescribed manner. Generally, a business combination includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. An interested stockholder is defined generally as a person who, together with affiliates and associates, owns or within three years prior to the determination of interested stockholder status, did own, 15% or more of a corporation's voting stock. The existence of this provision may have an anti-takeover effect with respect to transactions not approved in advance by the board of directors, including discouraging attempts that might result in a premium over the market price for the shares of common stock held by stockholders.

### **Undesignated preferred stock; prohibition on non-voting capital stock**

The authorization of undesignated preferred stock makes it possible for our board of directors to issue stock with voting or other rights or preferences that could impede the success of any attempt to change control of us.

Under our restated certificate of incorporation, we are prohibited from issuing non-voting equity securities within the meaning of section 1123 of chapter 11 of title 11 of the United States Code.

### **Limitation of liability**

As permitted by the DGCL, our restated certificate of incorporation provides that our directors will not be personally liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director, except for liability:

for any breach of the director's duty of loyalty to us or our stockholders;

for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;

under Section 174 of the DGCL, relating to unlawful payment of dividends or unlawful stock purchase or redemption of stock; or

for any transaction from which the director derives an improper personal benefit.

As a result of this provision, we and our stockholders may be unable to obtain monetary damages from a director for breach of his or her duty of care.

Our restated certificate of incorporation and bylaws also provide for the indemnification of our directors and officers to the fullest extent authorized by the DGCL. The indemnification provided under our restated certificate of incorporation and bylaws includes the right to be paid certain expenses. These expenses include fees, including attorneys' fees, reasonably incurred in investigating, defending or responding to any civil or criminal action, suit, proceeding or investigation in which one or more of our current or former directors or officers has been named as a defendant, respondent or target, and any related appeal. We will cover these expenses in advance of any proceeding for which indemnification may be payable, provided that the payment of these expenses incurred by a director or officer in advance of the final disposition of a proceeding may be made only upon delivery to us of an undertaking by or on behalf of the director or officer to repay all amounts so paid in advance if it is ultimately determined that the

director or officer is not entitled to be indemnified. Such determination will be made without reference to the financial ability of the current or former director or office to make repayment.

The indemnification provisions of our restated certificate of incorporation generally do not cover, except to the extent required by the restated certificate of incorporation or Delaware law, our predecessor corporation Loral Space & Communications Ltd., a Bermuda company, or any of their direct or indirect subsidiaries. We may be required to provide indemnification for certain persons or acts associated with Loral Space & Communications Ltd. with respect to certain tax obligations and as allowed in the Fourth Amended Joint Plan of Reorganization, dated as of June 3, 2005 of Loral Space & Communications Ltd.

Insofar as indemnification for liabilities under the Securities Act may be permitted to our directors, officers or controlling persons pursuant to our restated certificate of incorporation, our amended and restated bylaws and the DGCL, we have been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Under our restated certificate of incorporation, we have the power to purchase and maintain insurance on behalf of any person who is or was one of our directors, officers, employees or agents, or is or was serving at our request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, limited liability company or other business, including any employee benefit plan, against any liability or loss asserted against the person or incurred by the person in any of these capacities, or arising out of the person's status as such, whether or not we would have the power to or are obligated to indemnify such person against such liability or loss. Any indemnification and reimbursement of expenses provided by us will not be available to the extent they are covered under any applicable policy of insurance or otherwise. We maintain director and officer liability insurance on behalf of our directors and officers.

## **LEGAL MATTERS**

Willkie Farr & Gallagher LLP, New York, New York, will issue an opinion about certain legal matters with respect to the securities.

## **EXPERTS**

The financial statements and the related financial statement schedules incorporated in this prospectus by reference from the Company's Annual Report on Form 10-K and the effectiveness of the Company's internal control over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports, which are incorporated herein by reference, and have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

The financial statements of Telesat Holdings Inc. and its subsidiaries incorporated in this prospectus by reference from the Annual Report on Form 10-K of the Company have been audited by Deloitte & Touche LLP, an independent registered chartered accounting firm, as stated in their report, which is incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The financial statements of XTAR, LLC and subsidiary incorporated in this prospectus by reference from the Annual Report on Form 10-K/A of the Company have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report, which is incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.



**WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and special reports, proxy statements and other information with the Commission. You may read and copy any document we file at the Commission's public reference room located at 100 F Street,

N.E., Washington, D.C. 20549. Please call the Commission at 1-800-SEC-0330 for further information on the public reference room. Our filings with the Commission are also available to the public at the Commission's website at <http://www.sec.gov>. You may also inspect copies of these materials and other information about us at the offices of the Nasdaq Stock Market, Inc., National Market System, 1735 K Street, N.W., Washington, D.C. 20006-1500.

The Commission allows us to incorporate by reference the information we file with them which means that we can disclose important information to you by referring you to those documents instead of having to repeat the information in this prospectus. The information incorporated by reference is considered to be part of this prospectus, and later information that we file with the Commission will automatically update and supersede this information and be deemed incorporated by reference into this prospectus. We incorporate by reference the documents listed below and any future filings made with the Commission under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, between the date of this prospectus and the termination of the offering and also between the date of the initial registration statement and prior to effectiveness of the registration statement:

Annual Report on Form 10-K for the fiscal year ended December 31, 2007;

Amendment No. 1 to Annual Report on Form 10-K/A for the fiscal year ended December 31, 2007;

Quarterly Reports on Form 10-Q for the periods ended March 31, 2008 and June 30, 2008; and

Current Reports on Form 8-K filed January 10, 2008, January 16, 2008, February 21, 2008, March 31, 2008, April 4, 2008, May 28, 2008, June 16, 2008 and June 27, 2008.

In no event, however, will any of the information that we furnish under Item 2.02, Item 7.01, or Item 9.01 of any Current Report on Form 8-K that we may file from time to time with the Commission be incorporated by reference into, or otherwise included in, this prospectus.

This prospectus is part of a registration statement on Form S-3 we have filed with the Commission under the Securities Act. This prospectus does not contain all of the information in the registration statement. We have omitted certain parts of the registration statement, as permitted by the rules and regulations of the Commission. You may inspect and copy the registration statement, including exhibits, at the Commission's public reference room or website. Our statements in this prospectus about the contents of any contract or other document are not necessarily complete. You should refer to the copy of each contract or other document we have filed as an exhibit to the registration statement for complete information.

We will furnish without charge to you, upon written or oral request, a copy of any or all of the documents incorporated by reference, including exhibits to these documents. You should direct any requests for documents to Loral Space & Communications Inc., 600 Third Avenue, York, New York 10016, telephone: (212) 697-1105.

**LORAL SPACE & COMMUNICATIONS INC.**

**\$500,000,000**

**Debt Securities, Common Stock,  
Preferred Stock, Warrants and Subscription Rights**

**7,182,737 Shares  
Common Stock**

**PROSPECTUS**

, 2008

You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized anyone to provide you with different information. You should not assume that the information contained or incorporated by reference in this prospectus is accurate as of any date other than the date of this prospectus. We are not making an offer of these securities in any state where the offer is not permitted.

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**PART II****INFORMATION NOT REQUIRED IN THE PROSPECTUS****Item 14. *Other Expenses of Issuance and Distribution.***

The expenses to be paid by us in connection with the distribution of the securities being registered are as set forth in the following table. All amounts shown are estimates except for the Securities and Exchange Commission registration fee.

|   |                   |
|---|-------------------|
| Securities and Exchange Commission Registration Fee | \$ 75,921.08      |
| Legal Fees and Expenses                             | 200,000.00*       |
| Accounting Fees and Expenses                        | 75,000.00*        |
| Printing Expenses                                   | 50,000.00*        |
| Blue Sky Fees                                       | 5,000.00*         |
| Transfer Agent Fees and Expenses                    | 25,000.00*        |
| Trustee Fees and Expenses                           | 25,000.00*        |
| Miscellaneous                                       | 5,000.00*         |
| <br>Total   | <br>\$ 460,921.08 |

\* Estimate

**Item 15. *Indemnification of Directors and Officers.***

Section 145 of the DGCL, allows for the indemnification of officers, directors, and other corporate agents in terms sufficiently broad to indemnify these persons for liabilities (including reimbursement for expenses incurred) arising under the Securities Act. The Registrant's Restated Certificate of Incorporation and Amended and Restated Bylaws provide for indemnification of the Registrant's directors, officers, employees and other agents to the extent and under the circumstances permitted by the DGCL. In addition, the Registrant carries director and officer liability insurance.

Additionally, as of November 21, 2005, the Registrant entered into Officers' and Directors' Indemnification Agreements (each, an Indemnification Agreement) with certain officers of the Registrant who entered into employment agreements with the Registrant. The Registrant also entered into Indemnification Agreements with each director of the Registrant as of the date such person became a director (each officer and director with an Indemnification Agreement, an Indemnitee). The Indemnification Agreements require the Registrant to indemnify the Indemnitees if the Indemnitees are a party to or threatened to be made a party to or are otherwise involved in any Proceeding (as that term is used in the Indemnification Agreement), except with regard to any Proceeding by or in the right of the Registrant to procure a judgment in its favor, against all Expenses and Losses (as those terms are used in the Indemnification Agreement), including judgments, fines, penalties and amounts paid in settlement, subject to certain conditions, actually and reasonably incurred in connection with such Proceeding, if the Indemnitees acted in good faith for a purpose which they reasonably believed to be in or not opposed to the best interests of the Registrant. With regard to Proceedings by or in the right of the Registrant, the Indemnification Agreements provide similar terms of indemnification; however, no indemnification will be made with respect to any claim, issue or matter as to which an Indemnitee shall have been adjudged to be liable to the Registrant, unless a court determines that the Indemnitee is

entitled to indemnification for such portion of the Expenses as the court deems proper, all as detailed further in the Indemnification Agreements. The Indemnification Agreements also require the Registrant to indemnify the Indemnitees where the Indemnitees are successful, on the merits or otherwise, in the defense of any claim, issue or matter therein, as well as in other circumstances delineated in the Indemnification Agreements.

The indemnifications provided for by the Indemnification Agreements are subject to certain exclusions detailed therein. Space Systems/Loral, Inc. and Loral Holdings Corporation both guarantee the due and punctual payment of all of the Company's obligations under the Indemnification Agreements.

II-1

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The Registrant has purchased insurance from various insurance companies insuring the Registrant against obligations it might incur as a result of its indemnification of officers and directors for certain liabilities they might incur, and insuring such officers and directors for additional liabilities against which they might not be indemnified by us.

**Item 16. Exhibits.**

- 3.1 Restated Certificate of Incorporation of Loral Space & Communications Inc. dated November 21, 2005.(1)
- 3.2 Loral Space & Communications Inc. Amended and Restated Bylaws dated December 17, 2007.(2)
- 4.1\* Specimen Common Stock Certificate.
- 4.2\* Form of Certificate of Designation of Preferred Stock.
- 4.3\* Specimen Preferred Stock Certificate.
- 4.4\* Form of Debt Security.
- 4.5\* Form of Indenture, between Loral Space & Communications Inc. and one or more trustees to be named.
- 4.6\* Form of Warrant Agreement (including form of Warrant Certificate).
- 4.7\* Form of Subscription Rights Agreement (including form of Subscription Rights Certificate).
- 4.8 Certificate of Designation of Series A-1 Cumulative 7.50% Convertible Preferred Stock, Series A-2 Convertible Preferred Stock of Loral Space & Communications Inc.(3)
- 4.9 Certificate of Designation of Series B-1 Cumulative 7.50% Convertible Preferred Stock, Series B-2 Convertible Preferred Stock of Loral Space & Communications Inc.(3)
- 5.1\* Form of Opinion of Willkie Farr & Gallagher LLP.
- 12.1 Statement of Computation of Ratios.
- 23.1 Consent of Deloitte & Touche LLP, independent registered public accounting firm.
- 23.2 Consent of Deloitte & Touche LLP, independent registered public accounting firm.
- 23.3 Consent of Deloitte & Touche LLP, independent registered chartered accountants.
- 23.4\* Consent of Willkie Farr & Gallagher LLP (included in Exhibit 5.1).
- 24.1 Power of Attorney (included on the signature page hereto).
- 25.1\* Statement of Eligibility of Trustee on Form T-1.

(1) Incorporated by reference from the Registrant's Current Report on Form 8-K filed on November 23, 2005.

(2) Incorporated by reference from the Registrant's Current Report on Form 8-K, filed on December 21, 2007.

(3) Incorporated by reference from the Registrant's Current Report on Form 8-K, filed on February 28, 2007.

\* To be filed by amendment or by a report filed under the Securities Exchange Act of 1934, as amended, and incorporated herein by reference.

Previously filed.

**Item 17. Undertakings.**

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information in the 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 was 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%

II-2

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change in the maximum aggregate offering price set forth in the 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 the registration statement or any material change to such information in the registration statement;

*provided, however,* That paragraphs (a)(1)(i) and (a)(1)(ii) of this section do not apply if the registration statement is on Form S-3 and 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 section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, 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.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

(i) Each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii), or (x) for the purpose of providing the information required by section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof; provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date; or

(iii) If the registrant is subject to Rule 430C, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness; provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.



(5) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities: The undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the

II-3

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underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(6) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Securities Exchange Act of 1934) 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.

(7) The undersigned registrant hereby undertakes to supplement the prospectus, after the expiration of the subscription period, to set forth the results of the subscription offer, the transactions by the underwriters during the subscription period, the amount of unsubscribed securities to be purchased by the underwriters, and the terms of any subsequent reoffering thereof. If any public offering by the underwriters is to be made on terms differing from those set forth on the cover page of the prospectus, a post-effective amendment will be filed to set forth the terms of such offering.

(8) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the 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 Act and will be governed by the final adjudication of such issue.

(9) The undersigned registrant hereby undertakes to file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of section 310 of the Trust Indenture Act ( Act ) in accordance with the rules and regulations prescribed by the Commission under section 305(b)(2) of the Act.

**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in New York, New York, on August 11, 2008.

LORAL SPACE & COMMUNICATIONS INC.

By: /s/ Michael B. Targoff

Name: Michael B. Targoff

Title: Chief Executive Officer

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

| Signature              | Title   | Date            |
|------------------------|---|-----------------|
| /s/ Michael B. Targoff | Chief Executive Officer, President and Vice Chairman of the Board (Principal Executive Officer) | August 11, 2008 |
| Michael B. Targoff     |   |                 |
| *                      | Director, Non-Executive Chairman of the Board   | August 11, 2008 |
| Mark H. Rachesky, M.D. |   |                 |
| *                      | Director  | August 11, 2008 |
| Sai S. Devabhaktuni    |   |                 |
| *                      | Director  | August 11, 2008 |
| Hal Goldstein          |   |                 |
| *                      | Director  | August 11, 2008 |
| John D. Harkey, Jr.    |   |                 |
| *                      | Director  | August 11, 2008 |
| Arthur L. Simon        |   |                 |
| *                      | Director  | August 11, 2008 |
| John P. Stenbit        |   |                 |
| /s/ Harvey B. Rein     | Senior Vice President and Chief Financial Officer   | August 11, 2008 |

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Harvey B. Rein

(Principal Financial Officer)

/s/ John Capogrossi

Vice President and Controller  
(Principal Accounting Officer)

August 11, 2008

John Capogrossi

\* /s/ Michael B. Targoff

By:

Michael B. Targoff

Attorney-in-Fact

II-5

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**EXHIBIT INDEX**

- 3.1 Restated Certificate of Incorporation of Loral Space & Communications Inc. dated November 21, 2005.(1)
- 3.2 Loral Space & Communications Inc. Amended and Restated Bylaws dated December 17, 2007.(2)
- 4.1\* Specimen Common Stock Certificate.
- 4.2\* Form of Certificate of Designation of Preferred Stock.
- 4.3\* Specimen Preferred Stock Certificate.
- 4.4\* Form of Debt Security.
- 4.5\* Form of Indenture, between Loral Space & Communications Inc. and one or more trustees to be named.
- 4.6\* Form of Warrant Agreement (including form of Warrant Certificate).
- 4.7\* Form of Subscription Rights Agreement (including form of Subscription Rights Certificate).
- 4.8 Certificate of Designation of Series A-1 Cumulative 7.50% Convertible Preferred Stock, Series A-2 Convertible Preferred Stock of Loral Space & Communications Inc.(3)
- 4.9 Certificate of Designation of Series B-1 Cumulative 7.50% Convertible Preferred Stock, Series B-2 Convertible Preferred Stock of Loral Space & Communications Inc.(3)
- 5.1\* Form of Opinion of Willkie Farr & Gallagher LLP.
- 12.1 Statement of Computation of Ratios.
- 23.1 Consent of Deloitte & Touche LLP, independent registered public accounting firm.
- 23.2 Consent of Deloitte & Touche LLP, independent registered public accounting firm.
- 23.3 Consent of Deloitte & Touche LLP, independent registered chartered accountants.
- 23.4\* Consent of Willkie Farr & Gallagher LLP (included in Exhibit 5.1).
- 24.1 Power of Attorney (included on the signature page hereto).
- 25.1\* Statement of Eligibility of Trustee on Form T-1.

(1) Incorporated by reference from the Registrant's Current Report on Form 8-K filed on November 23, 2005.

(2) Incorporated by reference from the Registrant's Current Report on Form 8-K, filed on December 21, 2007.

(3) Incorporated by reference from the Registrant's Current Report on Form 8-K, filed on February 28, 2007.

\* To be filed by amendment or by a report filed under the Securities Exchange Act of 1934, as amended, and incorporated herein by reference.

Previously filed.