- 1 -

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE UNITED MEXICAN STATES CONCERNING THE

TRANSMISSION AND RECEPTION OF SIGNALS FROM SATELLITES FOR THE PROVISION OF SATELLITE SERVICES TO USERS IN THE UNITED STATES OF AMERICA AND THE UNITED MEXICAN STATES

Recognizing the sovereign right of both countries to manage and regulate their satellite communications;

Taking into account the "Special Arrangements" provisions of the International

Telecommunication Union's Basic Instruments;

In accordance with the provisions of Article 7 of the International Telecommunication
Union's Radio Regulations ("ITU Radio Regulations");

In order to establish the conditions for the transmission and reception of signals from satellites for the provision of commercial satellite services to users in the United States of America ("United States") and the United Mexican States ("Mexico"),



The Government of the United States of America and the Government of the United Mexican States (the "Parties") have agreed as follows:

ARTICLE I. Purposes

The purposes of this Agreement are:

- 1. To facilitate the provision of services to, from and within the United States and Mexico via commercial satellites that each Party licenses and coordinates pursuant to ITU Radio Regulations, and
- 2. To establish the conditions relating to the use in both countries of satellites licensed in the United States and Mexico.

ARTICLE II. Definitions

As used in this Agreement and annexed Protocols,

1. "Space Station" means a station located on an object which is beyond, is intended to go beyond, or has been beyond the major portion of the Earth's atmosphere.



- 2. "Satellite" means a Space Station providing commercial communications services licensed by a Party or one of its Administrations, as appropriate, and whose technical characteristics are coordinated and implemented pursuant to the ITU Radio Regulations by the same Party or its Administration, as appropriate.
- "Satellite Service" means any radiocommunications service involving the use of one or more Satellites.
- 4. "Satellite Service Provider" means an individual or legal entity licensed by a Party or its

 Administration, as appropriate, to provide Satellite Services within the territory, territorial waters
 or national airspace of a Party.
- "Earth Station" means a station located either on the Earth's surface or within the major portion of the Earth's atmosphere and intended for communication with one or more Satellites, or with one or more Earth Stations of the same kind by means of one or more reflecting Satellites or other objects in space.
- 6. "License" means the concession, authorization, or permit granted to an individual or legal entity by a Party or its Administration, as appropriate, which confers the authority to operate a Satellite, Earth Station or Satellite Service.



- 7. "Blanket License" means an authorization from a Party or its Administration, as appropriate, for a large number of technically identical Earth Stations for a specific Satellite Service.
- 8. "Protocol" shall have the meaning set forth in Article IV (2).
- 9. "Administration" shall have the meaning set forth in Article III (2).

ARTICLE III. Implementing Entities

- 1. The entities responsible for implementing this Agreement, herein referred to as the Authorities, shall be, for the United States, the Department of State, and for Mexico, the Secretaria de Comunicaciones y Transportes.
- 2. The entities responsible for implementing each of the Protocols included in the Annex to this Agreement, herein referred to as the Administrations, shall be as designated by the Authorities in each of the Protocols. In those cases where an Authority designates more than one Administration responsible for implementation of a Protocol, one of the Administrations shall be designated as the one responsible for coordination with the Administration of the other Party.



ARTICLE IV. Conditions of Use

- 1. The United States and Mexico each have laws, regulations and policies that govern
 United States and Mexican entities that provide Satellite Services to, from and within their
 respective territories. The Parties have analyzed and compared their respective laws on these
 matters. On the basis of this comparison and analysis, the Parties have concluded that it is
 appropriate to enter into a bilateral agreement concerning the transmission and reception of
 signals from Satellites for the provision of Satellite Services in their two countries, and to
 establish the respective Protocols to this Agreement in order to address particular kinds of
 Satellite Services. Therefore, pursuant to this Agreement:
- 1.1 Mexican Satellites will be permitted to provide service to, from and within the U.S., in conformance with applicable provisions of U.S. law, to the extent that these services enhance rather than distort competition in the U.S. market for Satellite Services, and to the extent that these services enhance public interest objectives.
- 1.2 United States Satellites will be permitted to provide service to, from and within Mexico, in conformance with applicable provisions of Mexican law, to the extent that these services enhance rather than distort competition in the Mexican market for Satellite Services, and to the extent that these services enhance public interest objectives, and reciprocity is afforded to Mexican Satellite operators in the United States.



- 2. The conditions for the transmission and reception of signals from Satellites licensed by each Party or Administration shall be as agreed in Protocols which shall comply with national laws and regulations, shall form an integral part of this Agreement, and shall be included in the Annex to this Agreement. A listing of the Protocols that have been agreed shall be maintained in the Annex.
- 3. For the purpose of this Agreement, the Parties agree that the United States or Mexican entities that operate commercial Satellites and Earth Stations may be established with either public or private participation in conformity with the legal and regulatory provisions of each country. A Party shall not require a Satellite licensed by the other Party to obtain an additional license for the operation of the Satellite in order to provide the Satellite Services described in the attached Protocols. Licenses for Earth Stations and Satellite Services must comply with national laws and regulations.

ARTICLE V. Technical Coordination

1. The ITU Radio Regulations are the basis for the technical coordination of Satellites.

After a Party or its Administration, as appropriate, has initiated the required coordination procedures pursuant to the ITU Radio Regulations, the Parties or their Administrations, as appropriate, will, in good faith, undertake to effect the coordination of the concerned Satellites in a timely, cooperative and mutually acceptable manner.



2. The Parties agree that the technical coordination procedures shall be carried out for purposes of effectuating the most efficient use of satellite orbits and the associated frequencies for satellite use, and agree to cooperate in the technical coordination of new satellites to accommodate the growing national and international communications needs of the satellite industry of each country.

ARTICLE VI. Foreign Ownership

Foreign ownership restrictions on Earth Stations and on Satellite Service Providers operating within the territory of a Party are defined by the laws and regulations of each Party.

For the United States, foreign ownership rules at present are contained in Title 47 of the United States Code (in particular, 47 U.S.C. Section 310), and other U.S. regulations and case law. For Mexico, foreign ownership restrictions are at present contained in Article 12 of the Federal Telecommunications Law published in 1995, and the Foreign Investment Law published in 1993.

ARTICLE VII. Essential Security Exception

This Agreement and its Protocols shall not preclude the application by either Party of actions that it considers necessary for the protection of its essential security interests or to the fulfillment of its obligations under the Charter of the United Nations with respect to the maintenance or restoration of international peace or security.



ARTICLE VIII. Cooperation

The Parties shall cooperate in seeking to ensure respect for the laws and regulations of the other Party relating to the services that are encompassed by this Agreement and the annexed Protocols.

ARTICLE IX. Amendment of the Agreement and Protocols

- 1. This Agreement may be amended by agreement of the Parties. Amendments shall enter into force on the date on which both Parties have notified each other by exchange of diplomatic notes that they have complied with the requirements of their respective national legislation.
- 2. The annexed Protocols may be amended and additional Protocols concluded by written agreement of the Administrations. Such amendments and additional Protocols shall be included in the Annex to this Agreement by the Parties.

ARTICLE X. Entry into Force and Duration

1. This Agreement shall enter into force on the date on which both Parties have notified each other by exchange of diplomatic notes that they have complied with the requirements of their respective national legislation for entry into force.



2. The Agreement shall remain in force until it is replaced by a new agreement or until it is terminated by either Party in accordance with Article XI of this Agreement.

ARTICLE XI. Termination of the Agreement and Protocols

- 1. This Agreement may be terminated by mutual agreement of the Parties, or by either Party by written notice of termination to the other Party through diplomatic channels. Such notice of termination shall enter into effect six months after receipt of the notice.
- 2. Any of the Protocols annexed to this Agreement may be terminated by agreement of the Administrations, or by either Administration by written notice of termination to the other Administration(s). Such notice of termination shall enter into effect six months after receipt of the notice. If more than one Administration has been designated pursuant to Article III (2), the Administration responsible for coordination with the Administration of the other Party shall provide such notice. Upon termination, the Annex to this Agreement shall be appropriately modified by the Parties.



IN WITNESS WHEREOF, the respective representatives have signed the present Agreement.

Done at Mexico City, D.F., this twenty-eighth day of April 1996, in duplicate, in the English and Spanish languages, both texts being equally authentic.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

FOR THE GOVERNMENT OF THE UNITED MEXICAN STATES: