

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

PARKER FREELAND, individually and on behalf of all others similarly situated,	X	
	:	
	:	
Plaintiff,	:	Civil Action No. 99-1002 (consolidated) (NKL)
	:	
vs.	:	
	:	
IRIDIUM WORLD COMMUNICATIONS, LTD., et. al.,	:	
	:	
Defendants.	:	
	:	
	X	

**NOTICE OF PROPOSED SETTLEMENTS WITH ALL DEFENDANTS, MOTION FOR
ATTORNEYS' FEES AND SETTLEMENT FAIRNESS HEARING**

TO: All persons or entities who purchased Iridium World Communications Ltd., Iridium LLC, and Iridium Operating LLC ("Iridium") securities, purchased Iridium call options, and/or sold Iridium put options during the period from September 8, 1998 to May 13, 1999, inclusive (the "Class Period") who suffered damages (the "Class").

And

All persons or entities who purchased Iridium Class A common stock pursuant to, or traceable to, a Registration Statement filed by Iridium on or about October 13, 1998, Amended November 13, 1998, (that became effective on or about January 25, 1999) who suffered damages (the "Sub-Class")

A federal court authorized this notice. This is not a solicitation from a lawyer.

- The Settlement with Motorola, Inc. will provide a \$20 million settlement fund for the benefit of the Class of investors who purchased Iridium securities and Iridium call options (and/or sold Iridium put options) during the Class Period and who suffered damages thereby.
- The Settlement with the Individual Defendants will provide a \$14.85 million settlement fund for the benefit of the Class of investors who purchased Iridium securities and Iridium call options (and/or sold Iridium put options) during the Class Period and who suffered damages thereby.
- The Settlement with the Underwriter Defendants will provide an \$8.25 million settlement fund for the benefit of the Sub-Class of investors who purchased Iridium Class A common stock on or traceable to the secondary offering of Iridium Class A common stock that became effective on January 25, 1999 (the "Secondary Offering").
- The Settlements resolve a lawsuit over whether Iridium's reports and releases contained material misstatements or omissions regarding Iridium's financial condition and future earnings.
- Your legal rights are affected whether you act or do not act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THESE SETTLEMENTS:	
SUBMIT A CLAIM FORM BY NOVEMBER 17, 2008	The only way to get a payment.
OBJECT BY OCTOBER 2, 2008	Write to the Court about why you do not like the Settlements.
GO TO A HEARING ON OCTOBER 16, 2008	Ask to speak in Court about the Settlements.
DO NOTHING	Get no payment. Give up rights.

- These rights and options - **and the deadlines to exercise them** - are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the Settlements. Payments will be made if the Court approves the Settlements and after appeals are resolved. Please be patient.

SUMMARY NOTICE

Statement of Plaintiff Recovery

Settlements are proposed with respect to (i) Motorola, (ii) the Individual Defendants, and (iii) the Underwriter Defendants (together, the "Defendants"). Pursuant to the Motorola Settlement described herein, a Settlement Fund consisting of \$20.00 million in cash will benefit the entire Class. Pursuant to the Individual Defendants Settlement described herein, a Settlement Fund consisting of \$14.85 million in cash will benefit the entire Class. Pursuant to the Underwriter Defendants Settlement described herein, a Settlement Fund consisting of \$8.25 million in cash will be established for the benefit of the Sub-Class. Plaintiffs estimate that there were approximately 19.73 million shares of Iridium Class A common stock outstanding during the Class Period. Based on certain assumptions that Plaintiffs' Counsel believe to be reasonable, but are unable to verify by reference to reliable data, Plaintiffs estimate that there were \$363.5 million face amount of debt instruments which may have been damaged. Plaintiffs estimate that the average recovery per damaged share of Iridium Class A common stock and per \$100 face amount of debt instruments for all Class Members under the Motorola Settlement is \$0.59 per damaged Iridium Class A common share and \$0.50 per \$100 of face amount of debt instruments¹ and under the Individual Defendants Settlement is \$0.43 per damaged Iridium Class A common share and \$0.37 per \$100 of face amount of debt instruments, all before deduction of Court-awarded attorneys' fees and expenses. Plaintiffs estimate that there were approximately 7.5 million shares of Iridium Class A common stock sold in the January 25, 1999 Secondary Offering which may have been damaged. Plaintiffs estimate that the average recovery per damaged share of Iridium Class A common stock for all Sub-Class Members under the Underwriter Defendants Settlement is \$1.10 per damaged Iridium Class A common share² before deduction of Court-awarded attorneys' fees and expenses. Class Members' (and Sub-Class Members') actual recoveries will be a proportion of the respective Net Settlement Funds determined by that claimant's Recognized Claim as compared to the total Recognized Claims of all Class Members (or Sub-Class Members with respect to the Net Settlement from the Underwriters Settlement) who submit acceptable Proofs of Claim. Depending on the number of claims submitted, whether and when a Class Member or Sub-Class Member sold those securities, an individual Class (or Sub-Class) Member may receive more or less than these average amounts. See the Plan of Allocation beginning on page 12 for more information on your Recognized Claim.

Statement of Potential Outcome of Case

The parties disagree on both liability and damages and do not agree on the average amounts of damages per security, if any, that would be recoverable if plaintiffs were to have prevailed on each claim alleged. The Defendants deny (i) any wrongdoing, (ii) that they are liable to Plaintiffs, the Class or the Sub-Class; and (iii) that Plaintiffs, the Class or the Sub-Class have suffered any damages. The Defendants also contend, among other things, that the decline in Iridium's Class A common stock that was sold pursuant to the Secondary Offering was attributable to the effects of disclosed risks and other adverse business developments and not to any alleged misrepresentation or omission in the Registration Statement or Prospectus, and that such declines are not their responsibility.

Statement of Attorneys' Fees and Costs Sought

Plaintiffs' Counsel are moving the Court to award attorneys' fees not to exceed one-third (33⅓%) of the Gross Settlement Funds, and for reimbursement of expenses incurred in connection with the prosecution of this Action in the approximate amount of \$1.5 million. The requested fees and expenses would amount to an average of \$0.40 per share of Iridium Class A common stock sold in the January 25, 1999 Secondary Offering with respect to the Underwriter Defendants Settlement. The requested fees and expenses would amount to an average of \$0.22 per share, and \$0.19 per \$100 of face amount of debt instruments for all Class Members under the Motorola Settlement. The requested fees and expenses would amount to an average of \$0.16 per share, and \$0.14 per \$100 of face amount of debt instruments for all Class Members under the Individual Defendants Settlement. Plaintiffs' Counsel have expended considerable time and effort in the prosecution of this litigation on a contingent-fee basis, and have advanced the expenses of the litigation, in the expectation that if they were successful in obtaining a recovery for the Class they would be paid from such recovery. In this type of litigation it is customary for counsel to be awarded a percentage of the common fund recovery as their attorneys' fees.

Further Information

Further information regarding the Action and this Notice may be obtained by contacting Plaintiffs' Co-Lead Counsel: Robert A. Wallner, Esq., Milberg LLP, One Pennsylvania Plaza, New York, New York 10119-0165, Telephone (212) 594-5300; or Fred Taylor Isquith, Esq., Wolf Haldenstein Adler Freeman & Herz LLP, 270 Madison Avenue, New York, New York 10016, Telephone (212) 545-4600.

¹ An allegedly damaged share or debt instrument might have been traded more than once during the Class Period, and the indicated average recoveries would be the total for all purchasers of that share or instrument.

² An allegedly damaged share might have been traded more than once during the Class Period, and the indicated average recovery would be the total for all purchasers of that share.

Reasons for the Settlements

For Plaintiffs, the principal reason for the Settlements is the cash benefits to be provided to the Class and Sub-Class now. These cash benefits must be compared to the risks that less or no recovery might be achieved from the Defendants after a contested trial and likely appeals, possibly years into the future.

For the Defendants, who deny all allegations of wrongdoing or liability whatsoever, the principal reason for their respective Settlements is to eliminate the expense and distraction of the litigation.

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BASIC INFORMATION

1. Why did I get this notice package?

You or someone in your family may have purchased Iridium securities, purchased Iridium call options, and/or sold Iridium put options during the period from September 8, 1998 to May 13, 1999, inclusive, and suffered damages. If so, you may be a Class Member. If you purchased Iridium Class A common stock pursuant to, or traceable to, a Registration Statement filed by Iridium on or about October 13, 1998, amended on November 13, 1998 and that became effective on or about January 25, 1999, and suffered damages, then you may also be a Sub-Class Member.

The Court directed that this Notice of Settlement be sent to all Class Members because they have a right to know about proposed settlements of this class action lawsuit, and about all of their options, before the Court decides whether to approve the Settlement with Motorola, the Settlement with the Individual Defendants, and/or the Settlement with the Underwriter Defendants. If the Court approves any or all of the Settlements, and after any objections and appeals are resolved, an administrator appointed by the Court will make the payments that the Settlement(s) allow. The three settlements, if all are approved, would completely settle and resolve this class action lawsuit.

This package explains the lawsuit, the Settlements, Class and Sub-Class Members' legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the United States District Court for the District of Columbia, and the case is known as *Freeland, et al v. Iridium World Communications, Ltd., et al.* This case was assigned to Judge Nanette K. Laughrey of the U.S. District Court for Western District of Missouri, sitting by designation for the U.S. District Court for the District of Columbia.

The people who sued, Richard Ackerman, Richard Mandelbaum, Antonio Planos, Robert Predaina, Remy's Ltd., John Sekas, and Weda Developers, Inc., are called Plaintiffs.

The people who they sued, (i) Motorola, Inc. ("Motorola"); (ii) Edward Staiano, the former Vice-Chairman and Chief Executive Officer of Iridium LLC and Iridium Operating and former Chairman and Chief Executive Officer of Iridium World; Roy Grant, former Vice President and Chief Financial Officer of Iridium LLC and Iridium World (the "Individual Defendants"); and (iii) Merrill Lynch, Pierce, Fenner & Smith Incorporated, Goldman, Sachs & Co., NationsBanc Montgomery Securities, LLC, Salomon Smith Barney, Inc., and SoundView Technology Group, Inc. (the "Underwriter Defendants"), are collectively referred to as the "Defendants." Iridium is not a named defendant because it is shielded from ongoing litigation by the stay of litigation afforded to debtors under the United States Bankruptcy Code.

The proposed Settlements will settle all of Plaintiffs' and all Class Members' Released Claims against Motorola and against the Individual Defendants and all of Plaintiff Mandelbaum's and all Sub-Class Members' Released Claims against the Underwriter Defendants (as defined below in response 12).

2. What is this lawsuit about?

This case involves the construction, operation, and financing of a global satellite communications system (the "Iridium System"). The Iridium System was conceived and constructed to revolutionize the communications industry by providing wireless telephone service anywhere in the world. The Iridium System ended in bankruptcy and worthless securities.

All the Plaintiffs seek to recover damages sustained by members of the Class from the Non-Underwriter Defendants as a result of alleged violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5 promulgated thereunder by the Securities and Exchange Commission with respect to misstatements made in Iridium's financial statements and press releases made during the Class Period.

Plaintiff Richard Mandelbaum also seeks to recover damages sustained by members of the Sub-Class from the Individual Defendants and the Underwriter Defendants under Sections 11, 12(a)(2) and 15 of the Securities Act of 1933 (the "Securities Act") with respect to alleged misstatements and omissions made in a Registration Statement and Prospectus used to sell 7.5 million shares of Iridium Class A common stock in a secondary offering that became effective on or about January 25, 1999.

Plaintiffs allege that the Defendants made a series of materially false and misleading statements and omissions concerning, among other things, the commercial viability of the Iridium system, the testing of the Iridium system, technical problems concerning the Iridium system, its hardware and software and Iridium's ability to meet required subscriber and revenue covenants, all of which artificially inflated the value of Iridium's stock.

All the Defendants deny all allegations of misconduct contained in the Complaint, deny any liability to the Class or Sub-Class, and deny having engaged in any wrongdoing whatsoever.

3. Why is this a class action?

In a class action, one or more people, called class representatives, sue on behalf of people who have similar claims. All these people are a class or class members. Bringing a case, such as this one, as a class action allows adjudication of many similar claims of persons and entities that might be economically too small to bring in individual actions. One court resolves the issues for all class members, except for those who exclude themselves from the class.

The members of the Class in this Action (including all Sub-Class Members) have similar claims under the Exchange Act against Motorola and the Individual Defendants, but not against the Underwriter Defendants. In this case, there is also a Sub-Class of

members of the Class who, in addition to the Exchange Act claims against Motorola and the Individual Defendants, also have Securities Act claims against the Individual Defendants and the Underwriter Defendants.

4. Why are there settlements?

Although the Court has denied Defendants' motion to dismiss the Complaint, denied in part and granted in part the Underwriter Defendants' motion for summary judgment, denied Plaintiffs' motion for partial summary judgment as against defendant Motorola, and denied in part and granted in part Motorola's motion for summary judgment, the Court has not decided the merits of all the claims or defenses of Plaintiffs or Defendants.

The litigation had been proceeding towards trial and trial was scheduled to commence on or about May 20, 2008. After extensive discovery and dispositive motions, the Individual Defendants and Plaintiffs, on behalf of the Class, agreed to a settlement on January 25, 2008, subject to approval by the Court, after notice to the Class. Previously, the Underwriter Defendants and Plaintiff Mandelbaum, on behalf of the Sub-Class, also agreed to a settlement, subject to approval by the Court, after notice to the Sub-Class.

Motions for preliminary approval of the proposed settlements with the Individual Defendants and with the Underwriter Defendants were filed on February 13, 2008. While those motions for preliminary approval were pending, the Court was also considering motions for summary judgment filed by Plaintiffs and Motorola.

By Order dated April 3, 2008, the Court denied in part and granted in part Motorola's motion for summary judgment. The Court's Order denied Plaintiffs' motion for summary judgment and denied most of Motorola's motion for summary judgment, but granted Motorola's motion for summary judgment against the individual bondholders. On the eve of trial, Motorola and Plaintiffs, on behalf of the Class, agreed to a settlement on June 30, 2008, subject to approval by the Court, after notice to the Class. The Court has preliminarily approved the proposed settlements with all of the Defendants, subject to final approvals by the Court, after notice to the Class and Sub-Class.

Through these settlements, the parties avoid the risks, costs and distraction of a trial, and, from the Plaintiff's perspective, the people affected will get compensation. The Class and Sub-Class representatives and their attorneys think the proposed Settlements are best for all Class and Sub-Class Members.

WHO IS PART OF THE SETTLEMENTS?

To see if you will get money from the Settlements, you first have to decide if you are a Class Member. If you are a Class Member, you may also be a Sub-Class Member.

5. How do I know if I am part of the settlements?

The Class includes all persons or entities who purchased Iridium securities, purchased Iridium call options, and/or sold Iridium put options during the period from September 8, 1998 to May 13, 1999, inclusive (the "Class Period") who suffered damages. If you purchased Iridium securities, purchased Iridium call options, or sold Iridium put options during the Class Period, and suffered damages, then unless you are excluded, you are a member of the Class and may participate in the Motorola Settlement and the Individual Defendants Settlement.

The Sub-Class includes all Class Members who purchased Iridium Class A common stock pursuant to, or traceable to, a Registration Statement filed by Iridium on or about October 13, 1998 and amended November 13, 1998, who suffered damages. The Registration Statement became effective, and the Iridium Class A common stock shares were sold at \$33.50 per share on or about January 25, 1999. If you purchased your shares in that Secondary Offering, or can trace the shares you purchased to that Secondary Offering, and you were damaged thereby, then unless you are excluded, you are a member of the Sub-Class and may also participate in the Underwriter Defendants Settlement.

6. Are there exceptions to being included?

Excluded from the Class and Sub-Class are Defendants, the officers and directors of Iridium and Motorola, members of their immediate families and their legal representatives, heirs, successors and assigns, and any entity in which any of the Defendants have or had a controlling interest. Also excluded are the persons and entities who previously requested exclusion from the Class and Sub-Class pursuant to the Notice of Pendency, described below.

A prior notice of the pendency of this Action ("Notice of Pendency") was mailed to Class Members beginning on May 19, 2006 and a summary notice was published in the national edition of *The Wall Street Journal* on May 24, 2006. If you submitted a request for exclusion in response to the prior Notice of Pendency, then you are excluded from the Class and Sub-Class and may not submit a Proof of Claim form to participate in the Settlements, nor may you object to the Settlements.

If one of your mutual funds purchased Iridium securities, purchased Iridium call options, or sold Iridium put options during the Class Period, that alone does not make you a Class Member. You are a Class Member and/or Sub-Class Member only if you directly purchased Iridium securities, purchased Iridium call options, or sold Iridium put options during the Class Period. Check your investment records or contact your broker to see if you purchased Iridium securities, purchased Iridium call options, or sold Iridium put options during the Class Period.

If you **sold** Iridium securities, **sold** Iridium call options, or **purchased** Iridium put options, that alone does not make you a Class or Sub-Class Member.

7. What if I am still not sure if I am included?

If you are still not sure whether you are included, you can ask for free help. You can call 1-866-825-2465 or visit www.gardencitygroup.com for more information. Or you can fill out and return the Proof of Claim form described on this page, in question 10, to see if you qualify.

THE SETTLEMENTS BENEFITS — WHAT YOU GET

8. What do the settlements provide?

In exchange for the Settlement and dismissal of the Action as against Motorola, Motorola has agreed to create a \$20 million fund to be divided, after fees and expenses, among all Class Members who send in a valid Proof of Claim form.

In exchange for the Settlement and dismissal of the Action as against the Individual Defendants, the Individual Defendants have agreed to create a \$14.85 million fund to be divided, after fees and expenses, among all Class Members who send in a valid Proof of Claim form.

In exchange for the Settlement and dismissal of the Action as against the Underwriter Defendants, the Underwriter Defendants have agreed to create an \$8.25 million fund to be divided, after fees and expenses, among all Sub-Class Members who send in a valid Proof of Claim form.

9. How much will my payment be?

If you are a member of the Class, your share of the fund from the Motorola Settlement and from the Individual Defendants Settlement will depend on the total Recognized Claims represented by the valid Proof of Claim forms that Class Members send in, how many shares of Iridium Class A common stock and/or call options on Iridium common stock and/or how much face value in Iridium debt securities you bought during the Class Period, and/or how many put options on Iridium common stock you sold during the Class Period, how much you paid or received for them, and when you bought or sold, and whether you still owned them at and after the end of the Class Period.

If you are a member of the Sub-Class, your share of the fund from the Underwriter Defendants Settlement will depend on the total Recognized Claims represented by the valid Proof of Claim forms that Sub-Class Members send in, how many shares of Iridium Class A common stock you bought on or traceable to the Registration Statement that became effective on or about January 25, 1999, how much you paid for them, and whether or when you sold them, and if so for how much you sold them.

You can calculate your Recognized Claim in accordance with the formulas shown below in the Plan of Allocation. It is unlikely that you will get a payment for all of your Recognized Claim. After all Class Members have sent in their Proof of Claim forms, the payment you get will be part of the Net Settlement Funds from the Motorola Settlement and from the Individual Defendants Settlement equal to your Recognized Claim divided by the total of everyone's Recognized Claims, and, if you are also a Sub-Class Member, the additional payment you get will be that part of the Net Settlement Fund from the Underwriter Defendants Settlement equal to your Recognized Claim from purchases of shares of Iridium Class A common stock you bought on or traceable to the Registration Statement, divided by the total of everyone's Recognized Claims from shares of Iridium Class A common stock purchased on or traceable to the Registration Statement. See the Plan of Allocation beginning on page 12 for more information on your Recognized Claim.

HOW YOU GET A PAYMENT — SUBMITTING A PROOF OF CLAIM FORM

10. How can I get a payment?

To qualify for a payment, you must send in a Proof of Claim form. A Proof of Claim form is being circulated with this Notice of Settlement. You may also get a Proof of Claim form on the Internet at www.gardencitygroup.com. Read the instructions carefully, fill out the Proof of Claim form, include all the documents the form asks for, sign it, and mail it postmarked no later than **November 17, 2008**.

11. When would I get my payment?

The Court will hold a hearing on **October 16, 2008**, to decide whether to approve the Settlements. If the Court approves any or all of the Settlements after that, there may be appeals. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps more than a year. It also takes time for all the Proofs of Claim to be processed. Please be patient.

12. What am I giving up to get a payment?

Upon the "Effective Date" of the Motorola Settlement, Class Members will release all "Released Claims" against the "Released Parties" (as those terms are defined in the Motorola Settlement). Upon the "Effective Date" of the Individual Defendants Settlement, Class Members will release all "Released Claims" against the "Released Parties" (as those terms are defined in the Individual Defendants Settlement). Upon the "Effective Date" of the Underwriter Defendants Settlement, Sub-Class Members will release all "Released Claims" against the "Released Parties" (as those terms are defined in the Underwriter Defendants Settlement).

As defined in the Motorola Settlement, "Released Claims" collectively means and includes any and all claims or causes of action, including "Unknown Claims" (as defined below), debts, suits, rights of action, dues, sums of money, accounts, bonds, bills, covenants, contracts, controversies, agreements, promises, judgments, variances, executions, obligations, demands, rights, liabilities, damages, losses, fees, and costs of any kind, nature and/or description whatsoever, matured or un-matured, liquidated or un-liquidated, accrued or un-accrued, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not asserted, threatened, alleged or litigated, at law, equity or otherwise, including, without limitation, claims for contribution or indemnification, claims for costs, expenses (including, without limitation, amounts paid in settlement) and attorneys' fees, claims for negligence, gross negligence, breach of duty of care and/or breach of duty of loyalty, misrepresentation, fraud, breach of fiduciary duty, or violations of any federal, state or local statutes, common law, rules or regulations, that now exist or heretofore existed, whether class or individual in nature, that have been or could have been asserted in the Action or any other forum against the Released Parties, whether directly, indirectly, representatively, derivatively or in any other capacity, which arise out of, are based upon, relate to, or are in connection with: (i) the claims, facts or circumstances asserted in this Action; or (ii) the purchase or sale of Iridium securities, Iridium call options, and/or Iridium put options during the period September 8, 1998 to May 13, 1999, inclusive, or (iii) this Settlement or the entry into it, except for any claimed breach of this Settlement. "Released Claims" does not mean or include claims pending in the Iridium bankruptcy proceedings in the Southern District of New York. "Released Claims" does not mean or include claims against the Individual Defendants or the Underwriter Defendants.

As defined in the Motorola Settlement, "Released Parties" means Motorola and any and all of the following in their capacities as such to Motorola: Motorola's past or present subsidiaries, parents, divisions, affiliates, successors, predecessors, assigns, heirs, and their respective officers, directors, managing directors, agents, advisors, employees, attorneys, members, partners, principals, trustees, consultants, insurers and agents of each of them, and any person, firm, trust, corporation, officer, director, or other individual or entity in which Motorola has a controlling interest or which is related to or affiliated with Motorola. "Released Parties" does not include the Individual Defendants or the Underwriter Defendants.

As defined in the Individual Defendants Settlement, "Released Claims" collectively means and includes any and all claims or causes of action, including "Unknown Claims" (as defined below), debts, suits, rights of action, dues, sums of money, accounts, bonds, bills, covenants, contracts, controversies, agreements, promises, judgments, variances, executions, obligations, demands, rights, liabilities, damages, losses, fees, and costs of any kind, nature and/or description whatsoever, matured or un-matured, liquidated or un-liquidated, accrued or un-accrued, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not asserted, threatened, alleged or litigated, at law, equity or otherwise, including, without limitation, claims for contribution or indemnification, claims for costs, expenses (including, without limitation, amounts paid in settlement) and attorneys' fees, claims for negligence, gross negligence, breach of duty of care and/or breach of duty of loyalty, misrepresentation, fraud, breach of fiduciary duty, or violations of any federal, state or local statutes, common law, rules or regulations, that now exist or heretofore existed, whether class or individual in nature, that have been or could have been asserted in the Action or any other forum against the Released Parties, whether directly, indirectly, representatively, derivatively or in any other capacity, which arise out of, are based upon, relate to, or are in connection with: (i) the claims, facts or circumstances asserted in this Action; or (ii) the purchase or sale of Iridium World Communications Ltd. ("Iridium") Class A common stock, the purchase or sale of call options on Iridium Class A common stock, and/or the purchase or sale of put options on Iridium Class A common stock, during the period September 8, 1998 to May 13, 1999, inclusive, or (iii) this Settlement or the entry into it, except for any claimed breach of this Settlement. "Released Claims" does not mean or include claims against Motorola or the Underwriter Defendants.

As defined in the Individual Defendants Settlement, "Released Parties" means the Individual Defendants, and the legal representatives, heirs, successors in interest or assigns of the Individual Defendants. "Released Parties" does not include Motorola or the Underwriter Defendants.

As defined in the Underwriter Defendants Settlement, "Released Claims" collectively means and includes any and all claims or causes of action, including "Unknown Claims" (as defined below), debts, suits, rights of action, dues, sums of money, accounts, bonds, bills, covenants, contracts, controversies, agreements, promises, judgments, variances, executions, obligations, demands, rights, liabilities, damages, losses, fees, and costs of any kind, nature and/or description whatsoever, matured or un-matured, liquidated or un-liquidated, accrued or un-accrued, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not asserted, threatened, alleged or litigated, at law, equity or otherwise, including, without limitation, claims for contribution or indemnification, claims for costs, expenses (including, without limitation, amounts paid in settlement) and attorneys' fees, claims for negligence, gross negligence, breach of duty of care and/or breach of duty of loyalty, misrepresentation, fraud, breach of fiduciary duty, or violations of any federal, state or local statutes, common law, rules or regulations, that now exist or heretofore existed, that have been or could have been asserted in the Action or any other forum against the Released Parties, whether directly, indirectly, representatively, derivatively or in any other capacity, which arise out of, are based upon or relate to, or are in connection with (i) the claims or facts and circumstances asserted in the Action; or (ii) the purchase or sale or other acquisition or disposition or holding of Class A common stock of Iridium World Communications Ltd during the Class Period, pursuant to, or traceable to, the Registration Statement; or (iii) this Settlement or the entry into it, except for breach of this Settlement. "Released Claims" does not mean or include claims against Motorola or the Individual Defendants.

As defined in the Underwriter Defendants Settlement, "Released Parties" means any and all of the Underwriter Defendants, and all of the following in their capacities as such to the Underwriter Defendants: the Underwriter Defendants' past or present subsidiaries, parents, divisions, affiliates, successors, predecessors, assigns, heirs, and their respective officers, directors, managing directors, agents, advisors, employees, attorneys, members, partners, principals, trustees, consultants, insurers and agents of each of them, and any person, firm, trust, corporation, officer, director or other individual or entity in which any Underwriter Defendant has a controlling interest or which is related to or affiliated with any of the Underwriter Defendants. Without in any way limiting this definition, Released Parties specifically include Bank of America, N.A. and Bank of America Securities LLC (successors to NationsBanc Montgomery Securities, LLC); The Charles Schwab Corporation and Charles Schwab & Co. Inc. (successors to SoundView Technology Group, Inc.); The Goldman Sachs Group, Inc.; Citigroup Global Markets Inc. (successor to Salomon Smith Barney, Inc.); and their respective subsidiaries and affiliates. "Released Parties" does not include Motorola or the Individual Defendants.

"Unknown Claims" means any and all Released Claims which Plaintiffs or any Class Member or Sub-Class Member do not know or suspect to exist in his, her or its favor at the time of the release of the Released Parties, and any of Motorola's Claims, Individual Defendants' Claims or Underwriter Defendants' Claims which any Defendant does not know or suspect to exist in his, her or its favor, which if known by Plaintiffs or any Class Member or Sub-Class Member, or any Defendant might have affected his, her or its decision(s) with respect to the Settlement. With respect to any and all Released Claims, Motorola's Claims, Individual Defendants' Claims and Underwriter Defendants' Claims, the parties stipulate and agree that upon the Effective Date, Plaintiffs and the Defendants shall expressly waive, and each Class Member and Sub-Class Member shall be deemed to have waived, and by operation of the Judgment shall have expressly waived, any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Plaintiffs and Defendants acknowledge, and all Class Members and Sub-Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definitions of Released Claims, Motorola's Claims, Individual Defendants' Claims and Underwriter Defendants' Claims was separately bargained for and was a key element of the Settlements.

The "Effective Date" will occur when an Order entered by the Court approving a Settlement becomes final and not subject to appeal.

NO FURTHER EXCLUSION FROM THE CLASS OR SUB-CLASS

The Court previously certified this litigation to proceed as a class action. As described in the prior Notice of Pendency and the prior summary notice, Class and Sub-Class Members were provided the opportunity, until August 1, 2006, to elect either to exclude themselves from the Class for all purposes or to remain as members of the Class and Sub-Class and be bound by these proceedings. The Settlement does not provide for any new right to be excluded from the Class OR Sub-Class. If the Settlement is approved, it will be binding on all Class Members and all Sub-Class Members.

The persons and entities who previously requested exclusion from the Class and Sub-Class are excluded from the Class and Sub-Class for purposes of the Settlements. Class or Sub-Class Members who did not request exclusion in response to the Notice of Pendency may not now request exclusion from the Class or Sub-Class.

If you previously submitted a request for exclusion from the Class or Sub-Class in accordance with the prior Notice of Pendency, then you may not submit a Proof of Claim form to participate in the Settlements herein.

13. Can I exclude myself from the Class or Sub-Class now?

No. Pursuant to the prior Notice of Pendency, Class Members were allowed to request exclusion until August 1, 2006. The Settlements do not provide another opportunity to request exclusion. As described in question 17 below, Class Members may object to the Motorola Settlement or to the Individual Defendants Settlement. Sub-Class Members may object to any or all of the Settlements.

14. If I previously excluded myself, can I get money from the proposed settlements?

No. If you previously excluded yourself, you cannot get money from the proposed Settlements. Do not send in a claim form to ask for any money.

THE LAWYERS REPRESENTING YOU

15. Do I have a lawyer in this case?

The Court ordered that the law firms of Wolf Haldenstein Adler Freeman & Herz LLP, Milberg LLP, Finkelstein Thompson LLP³, Entwhistle & Cappucci LLP and Beatie & Osborn LLP will represent all members of the Class and Sub-Class. These lawyers are called Plaintiffs' Executive Committee. You will not be separately charged for these lawyers. The Court will determine the amount of Plaintiffs' Counsel's fees and expenses, which will be paid from the Gross Settlement Fund. If you want to be represented by your own lawyer, you may hire one at your own expense.

16. How will the lawyers be paid?

Plaintiffs' Executive Committee are moving the Court to award attorneys' fees from the Gross Settlement Funds in an amount of one-third (33-1/3%) of the Gross Settlement Funds and for reimbursement of their expenses in the approximate amount of \$1.5 million, plus interest on such expenses at the same rates as may be earned by the Settlement Funds.

Plaintiffs' Executive Committee are also moving the Court to award payments of up to \$100,000 combined to the Plaintiffs, Richard Ackerman, Richard Mandelbaum, Antonio Planos, Robert Predaina, Remy's Ltd., John Sekas, and Weda Developers, Inc., for their reasonable costs and expenses (including lost wages) directly relating to the Plaintiffs' representation of the Class and Plaintiff Mandelbaum's representation of the Sub-Class.

Plaintiffs' Executive Committee, without further notice to the Class or Sub-Class, will subsequently apply to the Court for payment of the Claims Administrator's fees and expenses incurred in connection with giving notice, administering the Settlements and distributing the Settlements proceeds to the members of the Class and Sub-Class.

OBJECTING TO THE SETTLEMENTS

You can tell the Court that you do not agree with any or all of the Settlements or any parts of them.

17. How do I tell the Court that I do not like the proposed settlements?

If you are a Class Member⁴ and you did not previously exclude yourself from the Class pursuant to the Notice of Pendency, you can object to the Motorola Settlement or any of its terms, the Individual Defendants Settlement or any of its terms, the proposed Plan of Allocation and/or the application by Plaintiffs' Executive Committee for an award of fees and expenses. If you are a Sub-Class Member and did not previously exclude yourself from the Class (and Sub-Class) pursuant to the Notice of Pendency, you can also object to the Underwriter Defendants Settlement or any of its terms, the proposed Plan of Allocation and/or the application by Plaintiffs' Executive Committee for an award of fees and expenses. Class Members who are not also Sub-Class Members are not affected by the Underwriter Defendants Settlement and therefore cannot object to the Underwriter Defendants Settlement.

³ Finkelstein Thompson LLP was formerly known as Finkelstein Thompson & Loughran.

⁴ Sub-Class Members are also Class Members and have the same rights to object as other Class Members.

To object, you may simply write to the Court setting out your objection. You may give reasons why you think the Court should not approve the Motorola Settlement's or the Individual Defendants Settlement's (and if you are also a Sub-Class Member, the Underwriter Defendants Settlement's) terms or arrangements. The Court will consider your views if you file a proper objection within the deadline identified, and according to the following procedures.

To object to the Motorola Settlement or to the Individual Defendants Settlement, you must send a signed letter stating that you are a Class Member and that you object to the proposed Motorola Settlement or the proposed Individual Defendants Settlement in the *Freeland v. Iridium World Communications, Ltd. Securities Litigation*. To object to the Underwriter Defendants Settlement, you must send a signed letter stating that you are a Sub-Class Member and that you object to the proposed Underwriter Defendants Settlement in the *Freeland v. Iridium World Communications, Ltd. Securities Litigation*. Either way, the letter must include your name, address, telephone number, and your signature, show that during the Class Period you purchased Iridium securities or call options or sold Iridium put options (and, in the case of any objection to the Underwriter Defendants Settlement, show that you bought Iridium Class A common stock on or traceable to the Secondary Offering) and state the reasons why you object to the Settlement(s). Your objection must be filed with the Court and served on all the following counsel on or before **October 2, 2008**:

COURT:

Office of the Clerk of Court United States District Court for the District of Columbia
1225 E. Barrett Prettyman United States Courthouse
333 Constitution Ave., N.W.
Washington, DC 20001

PLAINTIFFS' CO-LEAD COUNSEL:

Robert A. Wallner, Esq. Milberg LLP One Pennsylvania Plaza New York, NY 10119	Fred Taylor Isquith, Esq. Wolf Haldenstein Adler Freeman & Herz LLP 270 Madison Avenue New York, NY 10016
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DEFENDANTS' COUNSEL:

Jeffrey L. Willian, P.C. Kirkland & Ellis LLP 200 East Randolph Drive Chicago, IL 60601-6636	Daryl A. Libow, Esq. Thomas R. Leuba, Esq. Sullivan & Cromwell LLP 1701 Pennsylvania Ave. N.W. Washington, D.C. 20006	James B. Weidner, Esq. James F. Moyle, Esq. Clifford Chance US LLP 31 West 52nd Street New York, NY 10019
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Counsel for Motorola

Counsel for the Individual Defendants

Counsel for the Underwriter Defendants

You do not need to go to the Settlement Fairness Hearing to have your written objection considered by the Court. At the Settlement Fairness Hearing, any Class Member who has not previously submitted a request for exclusion from the Class and who has complied with the procedures set out in this question 17 and question 20 below for filing with the Court and providing to the counsel for Plaintiffs and Defendants a statement of an intention to appear at the Settlement Fairness Hearing may also appear and be heard, to the extent allowed by the Court, to state any objection to any or all of the Settlements, the Plan of Allocation or Plaintiffs' Executive Committee's motion for an award of attorneys' fees and reimbursement of expenses. Any such objector may appear in person or arrange, at that objector's expense, for a lawyer to represent the objector at the Hearing.

THE COURT'S SETTLEMENT FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the proposed Settlements. You may attend and you may ask to speak, but you do not have to.

18. When and where will the Court decide whether to approve the proposed settlements?

The Court will hold a Settlement Fairness Hearing at **10:00 a.m. on Thursday, October 16, 2008**, at the United States District Court for the District of Columbia, 1225 E. Barrett Prettyman United States Courthouse, Courtroom 19, 6th Floor, 333 Constitution Avenue, N.W., Washington, DC 20001. At this hearing the Court will consider whether the Settlements are fair, reasonable and adequate. At the Settlement Fairness Hearing, the Court also will consider the proposed Plan of Allocation for the proceeds of the Settlements and the application of Plaintiffs' Executive Committee for attorneys' fees and reimbursement of expenses. The Court will take into consideration any written objections filed in accordance with the instructions at question 17. The Court also may listen to people who have properly indicated, within the deadline identified above, an intention to speak at the hearing; but decisions regarding the conduct of the hearing will be made by the Court. See question 20 for more information

about speaking at the hearing. The Court may also decide how much to pay to Plaintiffs' Counsel. After the hearing, the Court will decide whether to approve the Settlements. We do not know how long these decisions will take.

You should be aware that the Court may change the date and time of the Settlement Fairness Hearing. Thus, if you want to come to the hearing, you should check with Plaintiffs' Co-Lead Counsel before coming to be sure that the date and/or time has not changed.

19. Do I have to come to the hearing?

No. Plaintiffs' Counsel will answer questions the Court may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you filed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary. Class and Sub-Class Members do not need to appear at the hearing or take any other action to indicate their approval.

20. May I speak at the hearing?

If you object to any or all of the Settlements, you may ask the Court for permission to speak at the Settlement Fairness Hearing. To do so, you must include with your objection (see question 17 above) a statement stating that it is your "Notice of Intention to Appear in the *Freeland v. Iridium Securities Litigation*, Civil Actions Nos. 99-1002 et al. (Consolidated) (NKL)" Persons who intend to object to any or all of the Settlements, the Plan of Allocation, and/or counsel's application for an award of attorneys' fees and expenses and desire to present evidence at the Settlement Fairness Hearing must include in their written objections the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the Settlement Fairness Hearing. Unless otherwise ordered by the Court, you cannot speak at the hearing if you excluded yourself from the Class or if you have not provided written notice of your intention to speak at the Settlement Fairness Hearing by the deadline identified, and in accordance with the procedures described in question 17 above.

IF YOU DO NOTHING

21. What happens if I do nothing at all?

If you are a Class Member or a Sub-Class Member and do nothing, you will get no money from the Settlements and you will be precluded from starting a lawsuit, continuing with a lawsuit, or being part of any other lawsuit against the Defendants and the other Released Parties about the Released Claims in this case, ever again. To share in the Net Settlement Funds you must submit a Proof of Claim form (see question 10).

GETTING MORE INFORMATION

22. Are there more details about the proposed settlements?

This notice summarizes the proposed Settlements. More details are in the Stipulation and Agreement of Settlement with Motorola dated June 30, 2008, the Stipulation and Agreement of Settlement with Individual Defendants dated January 25, 2008, and the Stipulation and Agreement of Settlement between Plaintiff Mandelbaum, the Sub-Class and the Underwriter Defendants dated January 25, 2008 (the "Stipulations"). You can get a copy of the Stipulations by writing to Robert A. Wallner, Esq., Milberg LLP, One Pennsylvania Plaza, New York, New York 10119-0165, or Fred Taylor Isquith, Esq., Wolf Haldenstein Adler Freeman & Herz LLP, 270 Madison Avenue, New York, New York 10016, or by visiting www.gardencitygroup.com.

You also can call the Claims Administrator at 1-866-825-2465 toll free; write to Iridium Class Settlement, P.O. Box 9261, Dublin, OH 43017-4661, or visit the website at www.gardencitygroup.com, where you will find a Proof of Claim form, plus other information to help you determine whether you are a Class or Sub-Class Member and whether you are eligible for a payment.

23. How do I get more information?

For even more detailed information concerning the matters involved in this Action, reference is made to the pleadings, to the Stipulations, to the Orders entered by the Court and to the other papers filed in the Action, which may be inspected at the Office of the Clerk of Court United States District Court for the District of Columbia, 1225 E. Barrett Prettyman United States Courthouse, 333 Constitution Avenue, N.W., Washington, DC 20001 during regular business hours.

PLAN OF ALLOCATION OF THE NET SETTLEMENT FUNDS

PLAN FOR DISTRIBUTION OF THE INDIVIDUAL DEFENDANTS SETTLEMENT FUND TO CLASS MEMBERS

The \$14,850,000 Individual Defendants Settlement Amount and any interest earned thereon shall be the Gross Individual Defendants Settlement Fund. The Gross Individual Defendants Settlement Fund, less all applicable taxes, approved costs, fees and expenses (the "Net Individual Defendants Settlement Fund") shall be distributed to members of the Class who submit acceptable Proofs of Claim ("Authorized Claimants").

The following proposed Plan of Allocation for the Net Individual Defendants Settlement Fund reflects Plaintiffs' allegations that the price of Iridium's common stock was inflated artificially by reason of allegedly false and misleading statements made by Defendants during the Class Period. Plaintiffs' Damage Expert's analysis states that the price of Iridium's common stock was inflated by the following amounts for the periods indicated:

Time Period	Inflation
September 8, 1998 through February 18, 1999	\$11.72 per share
February 19, 1999 through March 28, 1999	\$7.78 per share
March 29, 1999 through April 21, 1999	\$5.59 per share
April 22, 1999 through May 13, 1999	\$3.67 per share

With respect to the Net Individual Defendants Settlement Fund, "Recognized Claim - Individual Defendants" is limited to no more than the out-of-pocket loss actually incurred on the purchase and sale of the stock including any sales through August 11, 1999 (90 days after the May 13, 1999 end of the Class Period).

Common Stock Purchases

1. No claim will be recognized for any shares of Iridium common stock purchased during the Class Period that were not held as of the close of trading on at least one of the following dates: February 18, 1999, March 28, 1999, April 21, 1999 or May 13, 1999.
2. For shares of Iridium common stock purchased during the Class Period and sold at a loss on or before August 11, 1999, "Recognized Claim - Individual Defendants" will be calculated for purposes of the Settlement as **the lesser of (a)** the Inflation per share on the date of purchase, less the Inflation per share on the date of sale, **or (b)** the purchase price paid (including commissions, etc.) less the sales proceeds received (net of commissions, etc.).
3. For shares of Iridium common stock purchased during the Class Period and still held at the close of trading on August 11, 1999, "Recognized Claim - Individual Defendants" will be calculated for purposes of the Settlement as the Inflation per share on the date of purchase.

Call Option Purchases

1. No claim will be recognized for any Iridium Call Options purchased during the Class Period that were not open and unexpired positions as of the close of trading on at least one of the following dates: February 18, 1999, March 28, 1999, April 21, 1999 or May 13, 1999.
2. The following chart indicates the maximum amount of Recognized Claim - Individual Defendants that will be allowed (per share covered by an eligible Call Option):

Maximum Recognized Claim - Individual Defendants from Call Option Purchases During the Class Period				
For Call options purchased during the Period shown below:	(still) Held at the close of trading on February 18, 1999 (per share)	(still) Held at the close of trading on March 28, 1999 (per share)	(still) Held at the close of trading on April 21, 1999 (per share)	(still) Held at the close of trading on May 13, 1999 (per share)
9/8/1998 through 2/18/1999	\$1.97	\$3.065	\$4.025	\$5.86
2/19/1999 through 3/28/1999	N/A	\$1.095	\$2.055	\$3.89
3/29/1999 through 4/21/1999	N/A	N/A	\$0.96	\$2.795
4/22/1999 through 5/13/1999	N/A	N/A	N/A	\$2.835

3. For Iridium Call Options purchased during the Class Period an Authorized Claimant's "Recognized Claim - Individual Defendants" shall be *the lesser of*: (a) 50%⁵ of the difference, if a loss, between (x) the amount paid for the call options during the Class Period (including brokerage commissions and transaction charges) and (y) the sum for which said call options were subsequently sold at a loss (after brokerage commissions and transaction charges) (or less \$0.00 if the Call Option expired while still owned by the Authorized Claimant); *or* (b) the Maximum Recognized Claim - Individual Defendants from Call Option Purchases During the Class Period as indicated in the above chart.

4. No loss shall be Recognized based on a purchase of any Call Option that was previously sold by the Claimant.

NOTE: Shares of Iridium acquired during the Class Period through the exercise of a Call Option shall be treated as a purchase on the date of exercise for the exercise price plus one-half of the cost of the call option, and any Recognized Claim - Individual Defendants arising from such transaction shall be computed as provided for other purchases of common stock.

Put Option Sales (Writings)

1. No claim will be recognized for any Iridium Put Options sold (written) during the Class Period that were not the unexpired liability obligation of the claimant as of the close of trading on February 18, 1999, March 28, 1999, April 21, 1999 or May 13, 1999.

2. The following chart indicates the maximum amount of Recognized Claim - Individual Defendants that will be allowed (per common share covered by an eligible Put Option) for Put Options sold (written) during the Class Period:

Maximum Recognized Claim - Individual Defendants from Selling (Writing) Put Options During the Class Period				
For Put Options sold (written) during the Period shown below:	AND still the liability of the seller at the close of trading on Feb. 18, 1999 (per share).	AND still the liability of the seller at the close of trading on March 28, 1999 (per share).	AND still the liability of the seller at the close of trading on April 21, 1999 (per share).	AND still the liability of the seller at the close of trading on May 13, 1999 (per share).
9/8/1998 through 2/18/1999	\$3.94	\$6.13	\$8.05	\$11.72
2/19/1999 through 3/28/1999	N/A	\$2.19	\$4.11	\$7.78
3/29/1999 through 4/21/1999	N/A	N/A	\$1.92	\$5.59
4/22/1999 through 5/13/1999	N/A	N/A	N/A	\$3.67

⁵ This discount reflects the fact that a purchase of a Call Option includes the payment of a time premium.

3. For Iridium Put Options sold (written) during the Class Period an Authorized Claimant's "Recognized Claim - Individual Defendants" shall be **the lesser of (a)** the difference, if a loss, between (x) the amount received for writing the put options during the Class Period (net of brokerage commissions and transaction charges) and (y) the sum for which said put options were re-purchased at a loss⁶ (including brokerage commissions and transaction charges); **or (b)** Maximum Recognized Claim - Individual Defendants from Selling (Writing) Put Options During the Class Period as indicated in the above chart.

4. No loss shall be Recognized based on a sale of any Put Option that was previously purchased by the Claimant.

NOTE: For Iridium Put Options written during the Class Period that were "put" to the Authorized Claimant (i.e. exercised), the Authorized Claimant's "Recognized Claim - Individual Defendants" shall be calculated as a purchase of common stock as shown above, and as if the sale of the Put Option were instead a purchase of Iridium common stock on the date of the sale of the Put Option, and the "purchase price paid" shall be the strike price less the proceeds received on the sale of the Put Option.

Iridium Debt Securities

1. Based on available price data for Iridium debt securities during the relevant period, and on Plaintiffs' Damage Expert's analysis of artificial inflation in the price of Iridium's securities during the Class Period, Plaintiffs assert that the prices of Iridium's debt securities were inflated by the following amounts for the periods indicated:

Time Period	Inflation
September 8, 1998 through February 18, 1999	\$40 per \$100 of face value
February 19, 1999 through March 28, 1999	\$40 per \$100 of face value
March 29, 1999 through April 21, 1999	\$30 per \$100 of face value
April 22, 1999 through May 13, 1999	\$25 per \$100 of face value

2. No claim will be recognized for Iridium debt securities purchased during the Class Period that were not owned as of the close of trading on at least one of the following dates: February 18, 1999, March 28, 1999, April 21, 1999 or May 13, 1999.

3. For Iridium debt securities purchased during the Class Period and sold at a loss on or before August 11, 1999, "Recognized Claims - Individual Defendants" will be calculated for purposes of the Settlement **as the lesser of (a)** the Inflation per \$100 of face value on the date of purchase, less the Inflation per \$100 of face value on the date of sale, **or (b)** the purchase price paid (including commissions, etc.) less the sales proceeds received (net of commissions, etc.).

4. For Iridium debt securities purchased during the Class Period and still held at the close of trading on August 11, 1999, "Recognized Claim - Individual Defendants" will be calculated for purposes of the Settlement **as the lesser of (a)** the Inflation per \$100 of face value on the date of purchase, **or (b)** the purchase price paid (including commissions, etc.) less \$20 per \$100 of face value (the "Holding Value").

PLAN FOR DISTRIBUTION OF THE MOTOROLA SETTLEMENT FUND TO CLASS MEMBERS

The \$20,000,000 Motorola Settlement Amount and any interest earned thereon shall be the Gross Motorola Settlement Fund. The Gross Motorola Settlement Fund, less all applicable taxes, approved costs, fees and expenses (the "Net Motorola Settlement Fund") shall be distributed to Authorized Claimants.

With respect to the Net Motorola Settlement Fund, the proposed Plan of Allocation for the Motorola Settlement Fund is identical to the proposed Plan of Allocation for the Net Individual Defendants Settlement Fund, **EXCEPT:**

A) "Recognized Claim - Motorola" for purchases of Iridium debt securities will equal 5% of the "Recognized Claim - Individual Defendants" for those purchases of Iridium debt securities. This discount reflects the fact that the Court, by Order dated April 3, 2008, granted Motorola's motion for summary judgment against the individual bondholders.

B) The total recovery payable to Authorized Claimants from the Net Motorola Settlement Fund for their transactions in Iridium debt securities shall not exceed five percent (5%) of the Net Motorola Settlement Fund.

C) The total recovery payable to Authorized Claimants from the Net Motorola Settlement Fund for their transactions in Iridium Call Options or Iridium Put Options shall not exceed five percent (5%) of the Net Motorola Settlement Fund.

⁶ For Iridium Put Options sold (written) during the Class Period that expired unexercised, an Authorized Claimant's "Recognized Claim - Individual Defendants" shall be \$0.00.

PLAN FOR DISTRIBUTION OF THE UNDERWRITER DEFENDANTS SETTLEMENT FUND TO SUB-CLASS MEMBERS

The \$8,250,000 Underwriter Defendants Settlement Amount and any interest earned thereon shall be the Gross Underwriter Defendants Settlement Fund. The Gross Underwriter Defendants Settlement Fund, less all applicable taxes, approved costs, fees and expenses (the "Net Underwriter Defendants Settlement Fund") shall be distributed to members of the Sub-Class who submit acceptable Proofs of Claim ("Authorized Sub-Class Claimants").

For shares of Iridium Class A common stock purchased on or traceable to the January 25, 1999 Secondary Offering, an Authorized Sub-Class Claimant's "Recognized Claim - Underwriter Defendants" shall mean:

A) If the shares were sold at a loss on or before April 22, 1999 (the date when suit was commenced), the difference, if a loss, between the \$33.50 per share offering price, and the price for which such shares were sold (net of commissions, taxes and fees, etc.).

B) If the shares were sold at a loss after April 22, 1999 (the date when suit was commenced), *the lesser of* (a) the difference, if a loss, between the \$33.50 per share offering price, and the price for which such shares were sold (net of commissions, taxes and fees, etc.), *or* (b) \$16.44 per share (the difference between the \$33.50 per share offering price and \$17.06 (the closing price of Iridium Class A common stock on the date when suit was commenced).

C) If the shares are still held, \$16.44 per share (the difference between the \$33.50 per share offering price and \$17.06 (the closing price of Iridium Class A common stock on the date when suit was commenced).

PROVISIONS GENERALLY APPLICABLE TO ALL PLANS OF ALLOCATION

The Claims Administrator shall determine each Authorized Claimant's *pro rata* shares of the Net Settlement Funds based upon each Authorized Claimant's Recognized Claim. The Recognized Claim formulas for the Net Settlement Funds are not intended to be an estimate of the amount of what a Class Member might have been able to recover after a trial; nor is it an estimate of the amount that will be paid to Authorized Claimants pursuant to the respective Settlements. The Recognized Claim formulas are the basis upon which the Net Settlement Funds will be proportionately allocated to the Authorized Claimants.

In the event a Class Member has more than one purchase or sale of Iridium securities, all purchases and sales of a particular security (common, call option or put option) shall be matched on a First In First Out ("FIFO") basis. Class Period sales of Iridium common stock will be matched first against any shares of Iridium Class A common stock held prior to the September 8, 1998 beginning of the Class Period, and then in chronological order against Class Period purchases. The receipt or grant by gift, devise or operation of law of shares of Iridium Class A common stock purchased during the Class Period shall not be deemed a purchase of shares of Iridium Class A common stock during the Class Period, nor shall it be deemed an assignment of any claim relating to the purchase of such shares unless specifically provided in the instrument of gift or assignment. Transactions resulting in a gain shall not be included in the calculation of an Authorized Claimant's Recognized Claim.

To the extent a Claimant had a gain from his, her or its overall transactions in Iridium securities during the Class Period, the value of the Recognized Claim will be zero. To the extent that a Claimant suffered an overall loss on his, her or its overall transactions in Iridium securities during the Class Period, but that loss was less than the Recognized Claim calculated above, then the Recognized Claim shall be limited to the amount of the actual loss.

For purposes of determining whether a Claimant had a gain from his, her or its overall transactions in Iridium securities during the Class Period or suffered a loss, the Claims Administrator shall: (i) total the amount paid for all Iridium securities purchased during the Class Period by the claimant (the "Total Purchase Amount"); (ii) match any sales of Iridium securities during the Class Period first against the Claimant's opening position in the applicable securities (the proceeds of those sales will not be considered for purposes of calculating gains or losses); (iii) total the amount received for sales of the remaining Iridium securities sold during the Class Period (the "Sales Proceeds"); and (iv) ascribe a \$10.44 per share holding value for the number of shares of Iridium common stock purchased during the Class Period and still held August 11, 1999 (90 days after the May 13, 1999 end of the Class Period), ascribe a holding value equal to the difference between the strike price of any Call options that is below the \$10.44 per share holding value for the number of shares covered by such in-the-money option, ascribe a negative holding value (cost) equal to the difference between the strike price of any Put options that is above the \$10.44 per share holding value for the number of shares covered by such in-the-money put option that was still the responsibility of the Claimant who was a put seller, and ascribe a \$20 per \$100 of face value holding value for Iridium debt securities purchased during the Class Period and still held August 11, 1999 ("Holding Value"). The difference between (x) the Total Purchase Amount ((i) above) and (y) the sum of the Sales Proceeds ((iii) above) and the Holding Value ((iv) above) will be deemed a Claimant's gain or loss on his, her or its overall transactions in Iridium securities during the Class Period.

Class or Sub-Class Members who do not submit acceptable Proofs of Claim will not share in the settlements proceeds but will nevertheless be bound by the Settlements and the Orders and Final Judgments of the Court dismissing this Action.

Distributions will be made to Authorized Claimants after all claims have been processed and after the Court has finally approved the settlement(s). If any funds remain in either of the Net Settlement Funds by reason of un-cashed distributions or otherwise, then, after the Claims Administrator has made reasonable and diligent efforts to have Class or Sub-Class Members who are entitled to participate in the distributions of the Net Settlement Funds cash their distributions, any balance remaining in the Net Settlement Funds one (1) year after the initial distribution of such funds shall be re-distributed to Class and/or Sub-Class Members who have cashed their initial distributions and who would receive at least \$10.00 from such re-distributions, after payment of any unpaid costs or fees incurred in administering the Net Settlement Funds for such re-distributions. If after six months after such re-distributions any funds shall remain in either of the Net Settlement Funds, then such balance(s) shall be contributed to non-sectarian, not-for-profit, 501(c)(3) organization(s) designated by Plaintiffs' Co-Lead Counsel, and approved by the Court after notice to counsel to the Defendants.

Plaintiffs, Defendants, their respective counsel, and all other Released Parties shall have no responsibility for or liability whatsoever for the investment or distribution of the Settlement Funds, the Net Settlement Funds, the Plan of Allocation or the determination, administration, calculation, or payment of any Proof of Claim or non-performance of the Claims Administrator, the payment or withholding of taxes owed by the Settlement Funds or any losses incurred in connection therewith.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you purchased Iridium securities, purchased Iridium call options, or sold Iridium put options during the Class Period (September 8, 1998 to May 13, 1999, inclusive) for the beneficial interest of a person or organization other than yourself, **and if you have not already provided the Claims Administrator with a list of those beneficiaries in response to the May 18, 2006 Notice of Pendency**, then the Court has directed that, WITHIN FOURTEEN (14) DAYS OF YOUR RECEIPT OF THIS NOTICE, you either (a) provide to the Claims Administrator the name and last known address of each person or organization for whom or which, during the Class Period, you purchased Iridium including debt instruments and/or common stock or purchased call options on Iridium common stock, or sold put options on Iridium common stock, or (b) request additional copies of this Notice of Settlement and the Proof of Claim form, which will be provided to you free of charge, and mail the Notice of Settlement and the Proof of Claim form directly to the beneficial owners of those securities. You are entitled to reimbursement from the Settlement Funds of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Those expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

In re Iridium Securities Litigation
Claims Administrator
c/o The Garden City Group, Inc.
PO Box 9261
Dublin, OH 43017-4661
1-866-825-2465

Dated: Washington, DC
August 5, 2008

By Order of the Court
CLERK OF THE COURT