Iridium Communications Inc

Bonnie Shub-Gayer

6 Number and street (or P.O. box if mail is not delivered to street address) of contact

750 Tysons Boulevard

Date of action

December 15, 2012

Classification and description

Convertible Preferred Stock Distribution

10 CUSIP number

46269C508

11 Serial number(s)

N/A

12 Ticker symbol

N/A

13 Account number(s)

N/A

Organizational Action

On December 15, 2012, pursuant to the terms of the Convertible Preferred Stock, a 7% cash distribution was made to all Convertible Preferred shareholders of record.

Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis. The 7% cash distribution described on Line 14 above, should be considered a non-dividend distribution to the Convertible Preferred shareholders due to the Company's negative current and accumulated earnings & profits. Accordingly, the amount distributed is generally anticipated to represent a return of shareholder basis, to the extent thereof. Once all shareholder basis has been returned, any distribution in excess of shareholder basis should be considered as a gain on the sale of the security pursuant to Internal Revenue Code Section 301(c)(2) & 301(c)(3) and the regulations thereunder. As such, shareholders should consult their tax advisors to determine the tax implications of the non-dividend distribution on their basis in the Company's Convertible Preferred security.

Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates. The 7% cash distribution described on Line 14 above, is not from the Company's current or accumulated earnings and profits pursuant to the Internal Revenue Code and Regulations. As such, the distribution should be considered a non-dividend distribution to the Convertible Preferred shareholders.
17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based:

Sections 301 and 316 and the regulations thereunder.

18 Can any resulting loss be recognized?  ➤ Not Applicable

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year:  ➤ Not Applicable

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Bonnie Shub-Gayer

Signature ➤

Date ➤ 8/20/13

Print your name ➤ Bonnie Shub-Gayer

Title ➤ Vice President - Tax