

(m) "Property" includes every subject of whatever nature to which a right of ownership can attach, as well as contractual rights; and

(n) "Design" and "development" include research directly related to the purposes of INTELSAT.

ARTICLE II

Establishment of INTELSAT

(a) With full regard for the principles set forth in the Preamble to this Agreement, the Parties hereby establish the international telecommunications satellite organization "INTELSAT", the main purpose of which is to continue and carry forward on a definitive basis the design, development, construction, establishment, operation and maintenance of the space segment of the global commercial telecommunications satellite system as established under the provisions of the Interim Agreement and the Special Agreement.

(b) Each State Party shall sign, or shall designate a telecommunications entity, public or private, to sign, the Operating Agreement which shall be concluded in conformity with the provisions of this Agreement and which shall be opened for signature at the same time as this Agreement. Relations between any telecommunications entity, acting as Signatory, and the Party which has designated it shall be governed by applicable domestic law.

(c) Telecommunications administrations and entities may, subject to applicable domestic law, negotiate and enter directly into appropriate traffic agreements with respect to their use of channels of telecommunications provided pursuant to this Agreement and the Operating Agreement, as well as services to be furnished to the public, facilities, divisions of revenue and related business arrangements.

ARTICLE III

Scope of INTELSAT Activities

(a) In continuing and carrying forward on a definitive basis activities concerning the space segment of the global commercial telecommunications satellite system referred to in paragraph (a) of Article II of this Agreement, INTELSAT shall have as its prime objective the provision, on a commercial basis, of the space segment required for international public telecommunications services of high quality and reliability to be available on a non-discriminatory basis to all areas of the world.

(b) The following shall be considered on the same basis as international public telecommunications services:

(i) domestic public telecommunications services between areas separated by areas not under the jurisdiction of the State concerned, or between areas separated by the high seas; and

(ii) domestic public telecommunications services between areas which are not linked by any terrestrial wideband facilities and which are separated by natural barriers of such an exceptional nature that they impede the viable establishment of terrestrial wideband facilities between such areas, provided that the Meeting of Signatories, having regard to advice tendered by the Board of Governors, has given the appropriate approval in advance.

(c) The INTELSAT space segment established to meet the prime objective shall also be made available for other domestic public telecommunications services on a non-discriminatory basis to the extent that the ability of INTELSAT to achieve its prime objective is not impaired.